

**SPECIAL CITY COUNCIL WORKSHOP  
AGENDA**

Monday, December 13, 2021, 3:00 p.m.

Meeting held electronically and open to public attendance

Council Chamber, City Hall

We recognize and respect that New Westminster is on the unceded and unsurrendered land of the Halkomelem speaking peoples. We acknowledge that colonialism has made invisible their histories and connections to the land. As a City, we are learning and building relationships with the people whose lands we are on.

**LIVE WEBCAST:** Please note City Council Meetings, Public Hearings, Council Workshops and some Special City Council Meetings are streamed online and are accessible through the City's website at <http://www.newwestcity.ca/council>

---

Pages

1. **CALL TO ORDER AND LAND ACKNOWLEDGEMENT**

The Mayor will open the meeting and provide a land acknowledgement.

2. **PRESENTATIONS**

2.1. **BC Housing Supply and Affordability: Opening Doors Discussion**

a. **Presentation, Director of Climate Action, Planning and Development and Gary Penway, Consultant (On Table)** 3

b. **BC Housing Supply and Affordability: Opening Doors Discussion Paper** 21

To seek direction from Council regarding the City's response to the Final Report of the Canada-British Columbia Expert Panel on the Future of Housing Supply and Affordability, Opening Doors: Unlocking housing supply for affordability.

**Recommendation:**

**THAT** Council direct staff to send the attached cover letter from the Mayor with the appended discussion paper on the Opening Doors report to the Minister of Municipal Affairs, the Attorney General and Minister Responsible for Housing, and the Minister of Finance.

### 3. END OF THE MEETING

\*Some personal information is collected and archived by the City of New Westminster under Section 26(g)(ii) of the Freedom of Information and Protection of Privacy Act and for the purpose of the City's ongoing commitment to open and transparent government. If you have any questions about the collection of personal information please contact Legislative Services, 511 Royal Avenue, New Westminster, V3L 1H9, 604-527-4523.

# Housing Supply & Affordability Workshop

Building upon the Discussion Paper on:

**“Opening doors: unlocking  
housing supply for affordability”**

**Final Report of the Canada-British Columbia Expert  
Panel on the Future of Housing Supply and Affordability**

***“A MUNICIPAL PERSPECTIVE”***

December 13, 2021

Gary Penway Consulting

# Housing Supply & Affordability Workshop

December 13, 2021

## AGENDA

- |    |  |             |          |
|----|--|-------------|----------|
| 1. | Introduction & Housing Crisis Overview                                     | Emilie Adin | (10 min) |
| 2. | Expert Panel & DAPR Report Overviews                                       | Gary Penway | (15 min) |
| 3. | New Westminster Recommendations<br>For a <b>“Made in New West”</b> package | Gary Penway | (60 min) |
| 4. | Conclusions & Next Steps   | Emilie Adin | (5 min)  |

# 1. Introduction and Housing Crisis Overview

## key math

net new homes for:

$$\begin{array}{r} \text{demographic growth \& change : } 468,000 \\ \text{historical structural deficit : } 75,000^* \\ \text{equitable growth \& change : } + 46,000 \\ \hline 589,000 \quad \text{to } 2041 \end{array}$$

28,000/yr

20-30% above levels we are currently building at

\* as per 1991's Livable Region Strategic Plan (Irsp)

Scotiabank. Our Company ▾ Investor Relations ▾ Economics ▾ Responsibility & Impact ▾ News ▾ Q

HOUSING

**Estimating the Structural Housing Shortage in Canada: Are We 100 Thousand or Nearly 2 Million Units Short?**

May 12, 2021 · Jean-François Perrault

“

The principal challenge facing the housing market—and the underlying cause for rising prices and diminished affordability—is the substantial insufficiency of supply relative to demand.

Jean-François Perrault

“

Canada has the lowest number of housing units per 1,000 residents of any G7 country. The number of housing units per 1,000 Canadians has been falling since 2016 owing to the sharp rise in population growth.

Jean-François Perrault

# Canada heads west in 2020-21

## BC net inter-provincial:

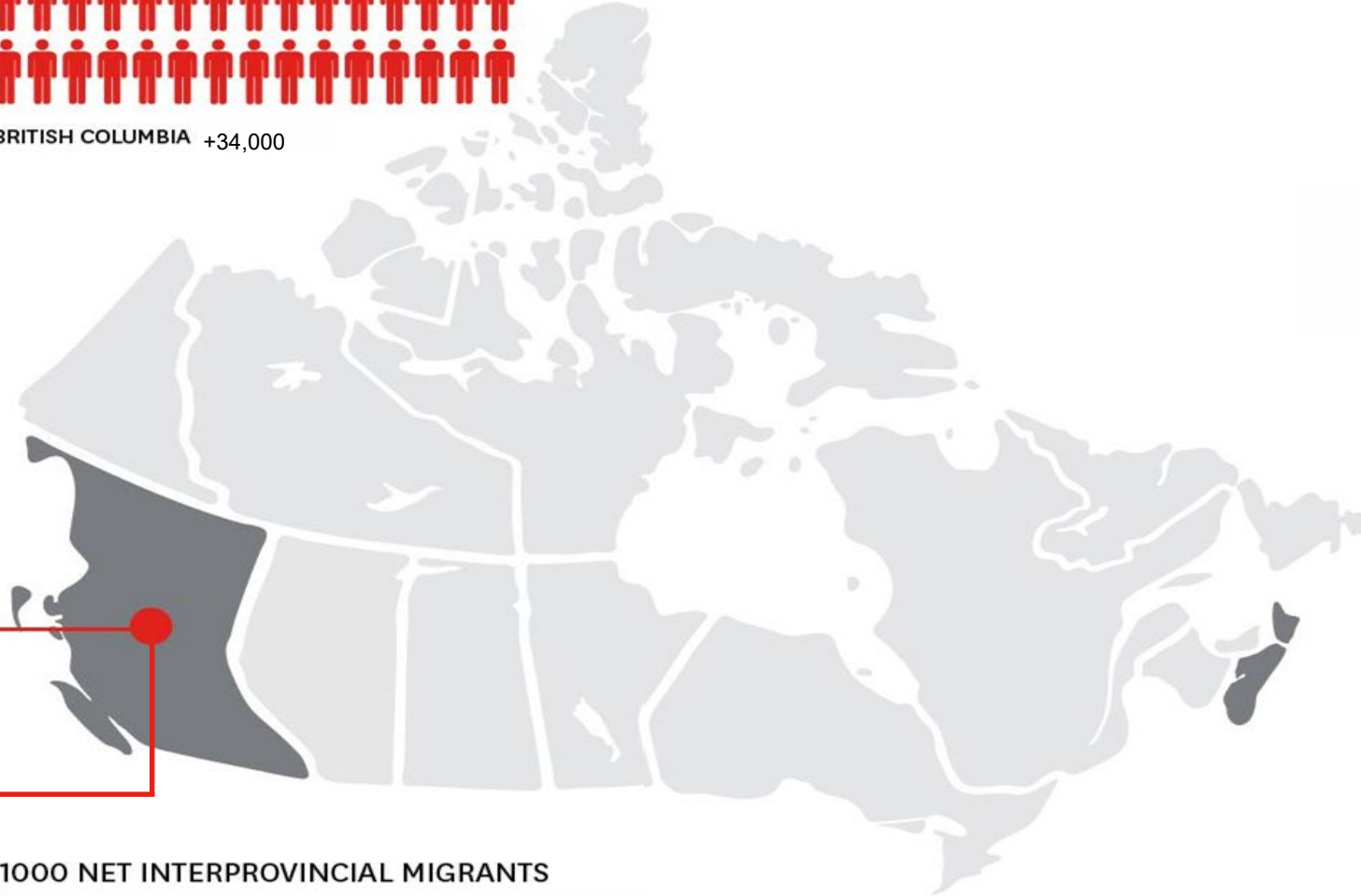
2020-21: 34,277  
2019-20: 16,999  
2018-19: 13,352  
2017-18: 13,989  
2016-17: 18,834

## BC net immigration:

2020-21: 28,418  
2019-20: 37,381  
2018-19: 33,683  
2017-18: 30,922  
2016-17: 25,505



BRITISH COLUMBIA +34,000



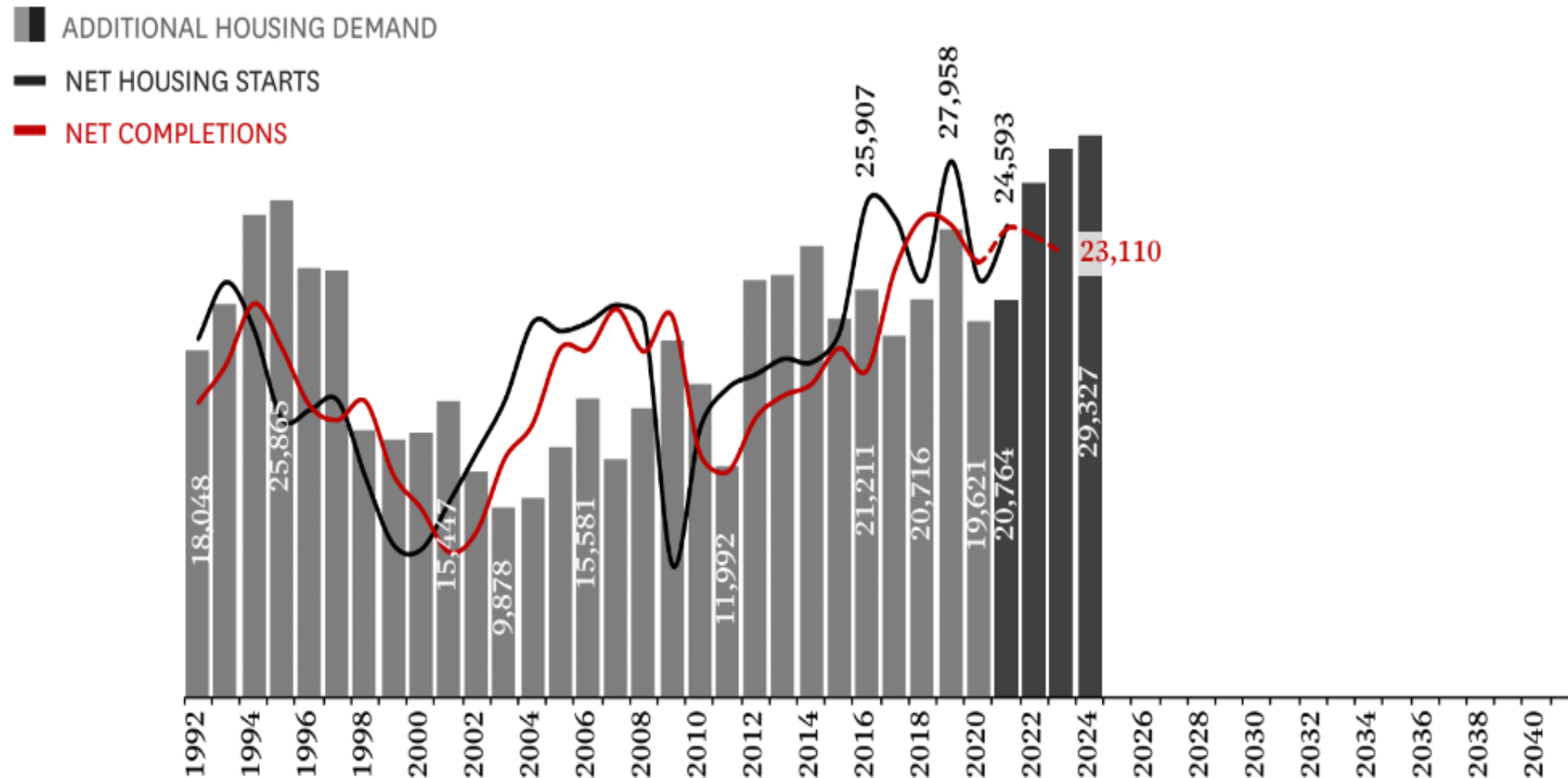
BRITISH COLUMBIA +28,000



1000 NET INTERPROVINCIAL MIGRANTS

# housing 942,000 more residents

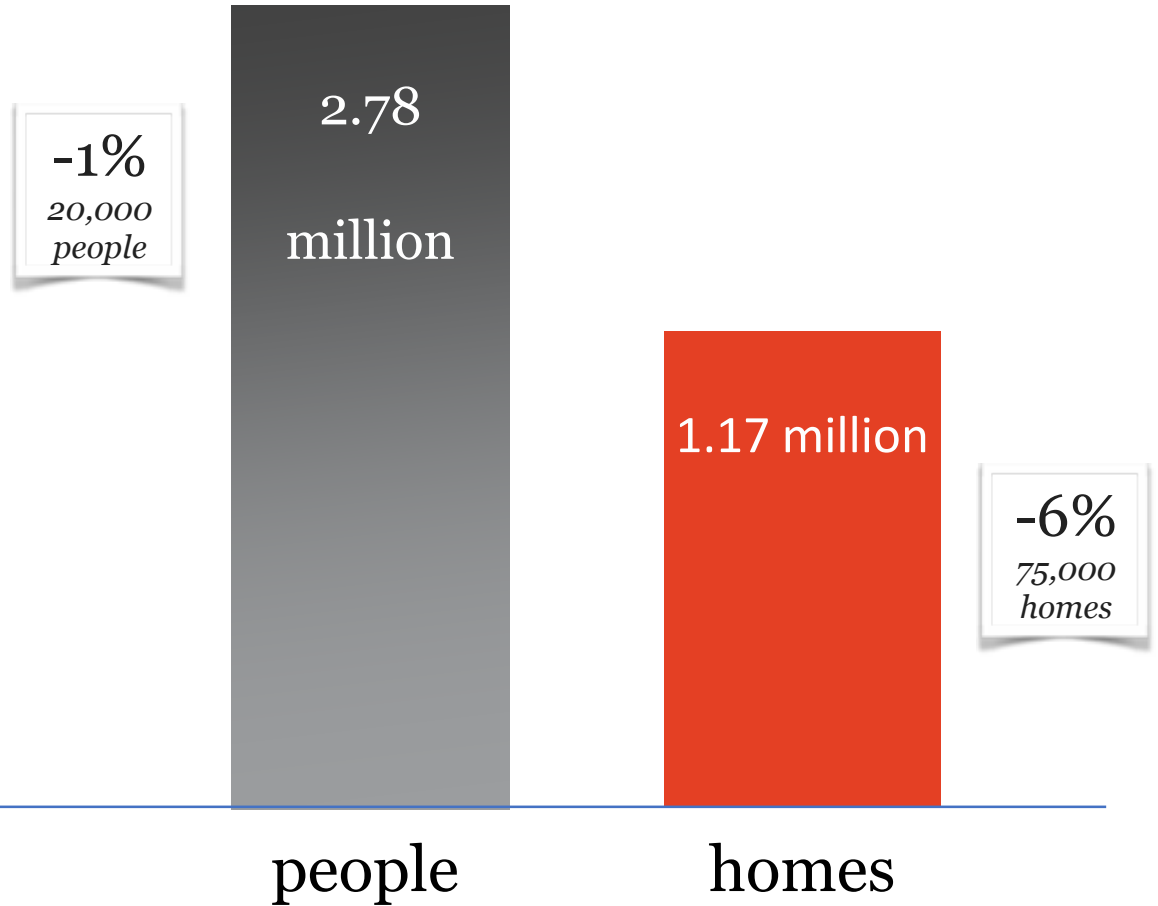
LOWER MAINLAND (GVRD, FVRD & SQUAMISH)





# 1990s outlook for 2021

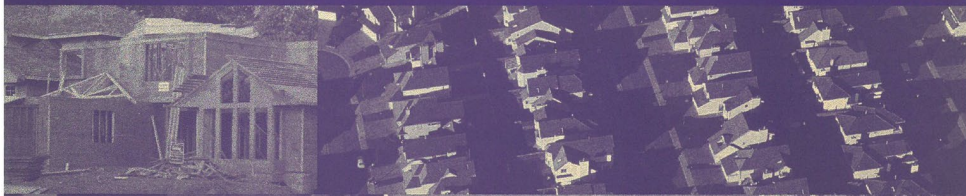
METRO VANCOUVER



## Managing Greater Vancouver's Growth

The Livable Region Strategic Plan  
Creating Our Future...  
Steps to a More Livable Region

Greater Vancouver Regional District  
Strategic Planning Department  
August 1993



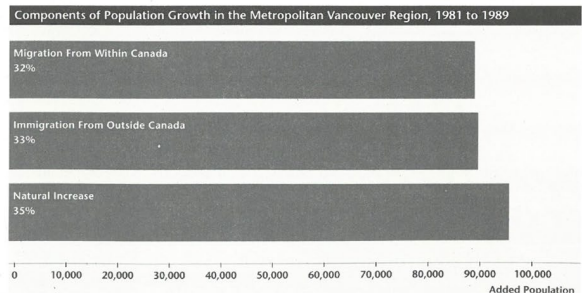
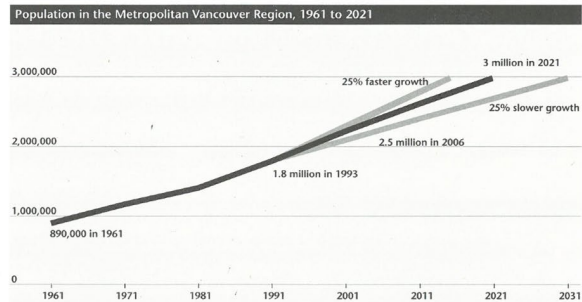
### 2. A Growing Population

The Metropolitan Vancouver Region is one of the fastest growing in Canada. Its population doubled from 890,000 people in 1961 to 1.78 million in 1991. From 1986 to 1991, the region grew by over a quarter of a million people, more than the combined growth of seven of Canada's provinces over the same five-year period<sup>8</sup>.

The region is projected to grow to 3 million people by 2021<sup>9</sup>. This 70 percent increase between 1991 and 2021 represents an additional 1.24 million people in the region, compared to an increase of only 890,000 (a 100 percent increase) between 1961 and 1991.

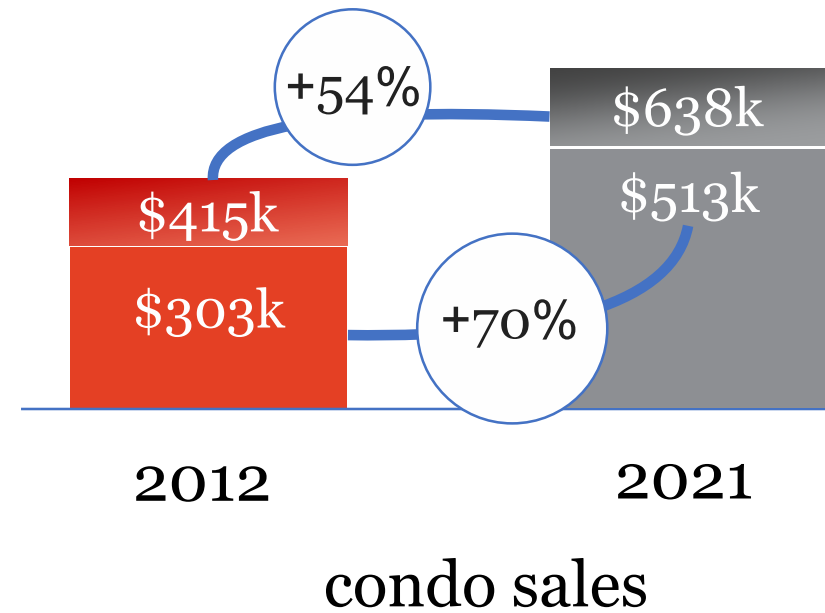
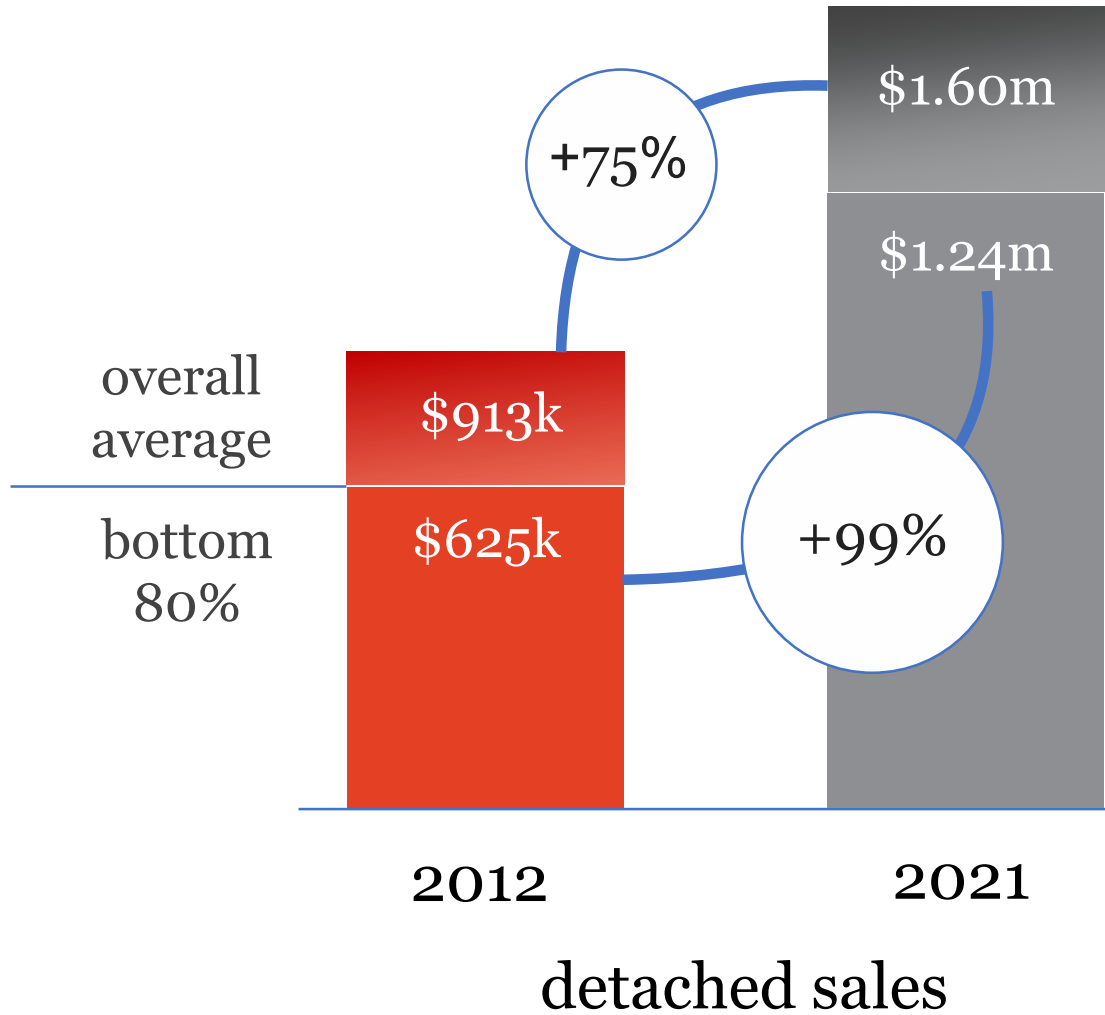
In the past decade, about one-third of the growth in the region has been from natural increase (births minus deaths), one-third from migration from elsewhere in B.C. and Canada, and one-third from immigration from other places in the world<sup>10</sup>. The total number of migrants to the region is expected to remain around its current level over the next three decades. Natural increase, however, is expected to decline as the post-World War Two "Baby Boomers" age into their sixties and seventies, resulting in the number of deaths in the region growing faster than the number of births.

It is not possible to project population growth with absolute certainty. Projections represent expectations that are reasonable given the information available today. However, even if today's expectations are not precisely correct, growth management must still focus on accommodating a population of 3 million people over the next 25 to 40 years. If the region's population grew 25 percent faster than expected, it would reach 3 million by 2016; if it grows 25 percent slower than expected, it would not reach 3 million until 2031.



# average sales prices

LOWER MAINLAND REGION





# key math

net new homes for:

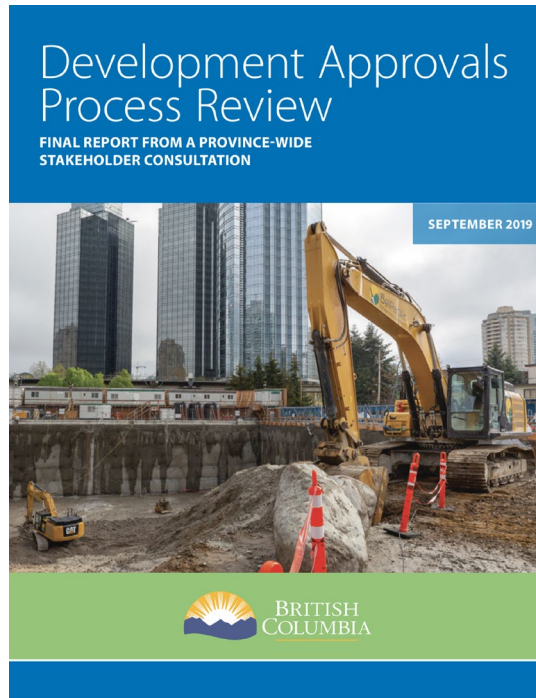
$$\begin{array}{r} \text{demographic growth \& change : } 468,000 \\ \text{historical structural deficit : } 75,000^* \\ \text{equitable growth \& change : } 46,000 \\ \hline 589,000 \quad \text{to } 2041 \end{array}$$

28,000/yr

20-30% above levels we are currently building at

\* as per 1991's Livable Region Strategic Plan (Irsp)

# 2. Expert Panel & DAPR Overviews



**2019**  
38+ “Opportunities”  
for Improvement

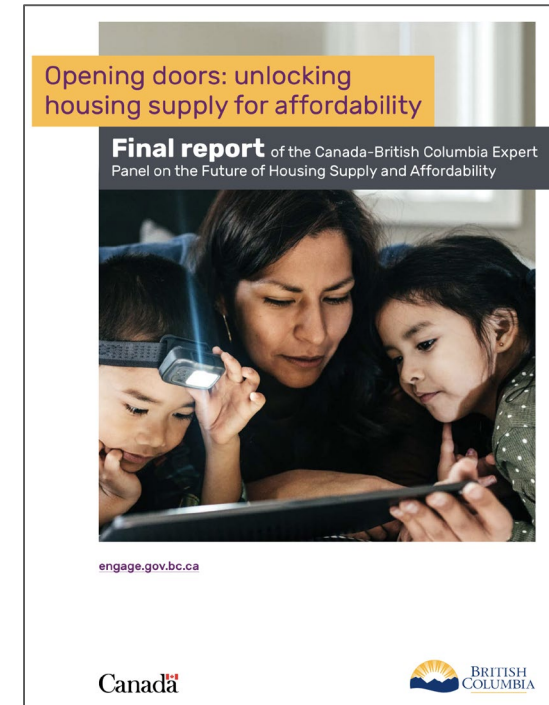
## **DAPR Phases 1-3 (2018-2019)**

- Extensive province-wide process
- All sectors, including municipalities
- 38+ Opportunities identified  
(Attached to Discussion Paper)
- Not mandated to make recommendations
- Broad support for changes
  
- Implementation Phase 4 (with consultation)  
still pending

# 2. Expert Panel & DAPR Overviews

## Expert Panel (2019-2021)

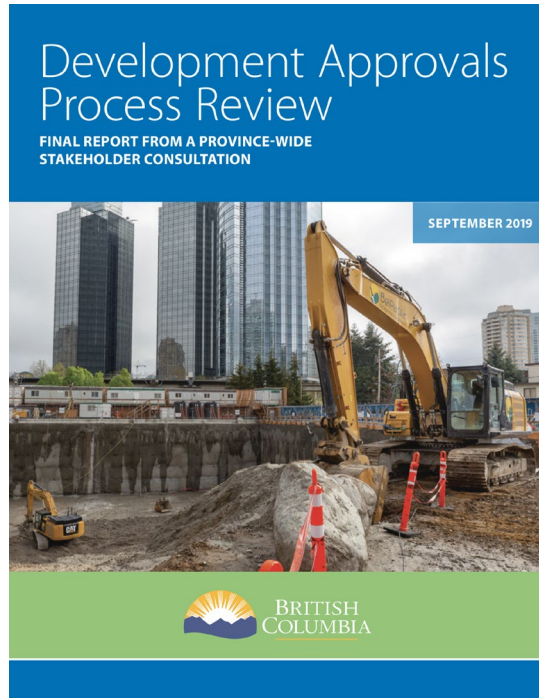
- Appointed by Federal + Provincial Govts.
- Limited process
- Limited consultation
- 5 Calls to Action
  1. Creating a planning framework that proactively encourages housing;
  2. Reforming fees on property development;
  3. Expanding the supply of community and affordable housing;
  4. Improving coordination among and within all orders of government; and
  5. Ensuring more equitable treatment of renters and homeowners.
- 23 Recommendations with 12 directly affecting municipalities



**2021**

23 recommendations

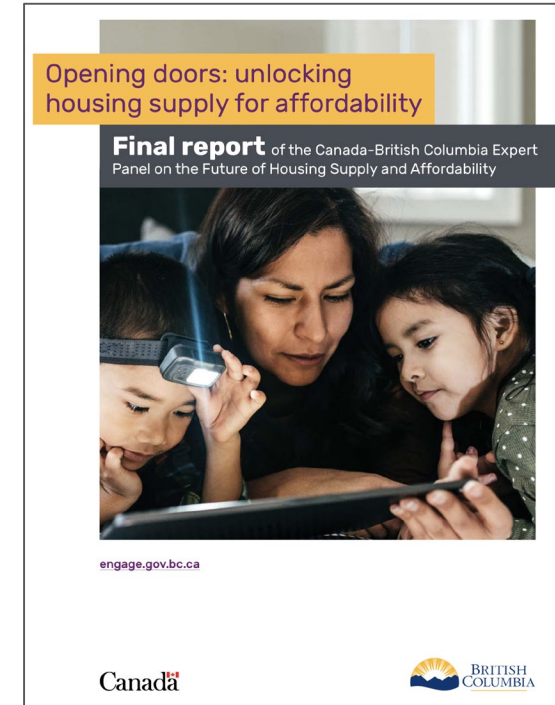
# 2. Expert Panel & DAPR Overviews



**2019**  
38+ Opportunities  
for Improvement



**2021**  
Bridging DAPR & Expert Panel  
42 Suggestions



**2021**  
23 recommendations

# 3. New Westminster Recommendations

Workshop to identify priority government actions:

Federal

Provincial

Regional

Municipal

# FEDERAL CHANGES

## *Options*

Support for Community Hsg Sector (12,14,16,18)
Housing Land Acquisition (15)
Affordable Housing Funding (13)
Harmonize w/Prov. Programs (19)
Support Indigenous Housing (17)
Incentives for Existing Rental (21)
Incentives for Municipal Housing (11)
Address Excessive Demand



## *New West Proposal*

Support for Community Hsg Sector (12,14,16,18)
Housing Land Acquisition (15)
Affordable Housing Funding (13)
Harmonize w/Prov. Programs (19)
Support Indigenous Housing (17)
Incentives for Existing Rental (21)
Incentives for Municipal Housing (11)
Address Excessive Demand

 Supported Expert Panel recommendations

 Additional/modified recommendations



# PROVINCIAL CHANGES

## *Options*

Support for Community Hsg Sector (12,14,16,18)
Housing Land Acquisition (15)
Affordable Housing Funding (13)
Harmonize w/Prov. Programs (19)
Support Indigenous Housing (17)
Incentives for Existing Rental (21)
Incentives for Municipal Housing (11)
Address Excessive Demand
Further Tenant Protection
Streamline Provincial Referrals
Proceed with Phase 4 DAPR



## *New West Proposal*

Support for Community Hsg Sector (12,14,16,18)
Housing Land Acquisition (15)
Affordable Housing Funding (13)
Harmonize w/Prov. Programs (19)
Support Indigenous Housing (17)
Incentives for Existing Rental (21)
Incentives for Municipal Housing (11)
Address Excessive Demand
Further Tenant Protection
Streamline Provincial Referrals
Proceed with Phase 4 DAPR

 Supported Expert Panel recommendations

 Additional/modified recommendations

# REGIONAL LEGISLATIVE CHANGES

## *Options*

Housing Affordability Adjustment
Municipal Housing Targets
Strengthened Regional Planning
RGS Approval by 2/3 <sup>rd</sup> Majority



## *New West Proposal*

Housing Affordability Adjustment
Municipal Housing Targets
Strengthened Regional Planning
RGS Approval by 2/3 <sup>rd</sup> Majority



Supported Expert Panel recommendations



Additional/modified recommendations

# MUNICIPAL LEGISLATIVE CHANGES

## *Options*


Housing Affordability Adjustment (2)
Municipal Housing Targets (2)
Expanded DCC's
CAC Authority
Discretionary Zoning
Stronger Development Permit Design
Strategic Pre-Zoning (5-10 years):
Staff Authority for Minor Variances*
DP's Issued by Staff
Timeframe for DP Issuance
Timeframe for BP Issuance

## *New West Proposal*

Housing Affordability Adjustment (2)
Municipal Housing Targets (2)
Expanded DCC's
CAC Authority
Discretionary Zoning
Stronger Development Permit Design
Strategic Pre-Zoning (5-10 years):
Staff Authority for Minor Variances*
DP's Issued by Staff
Timeframe for DP Issuance
Timeframe for BP Issuance

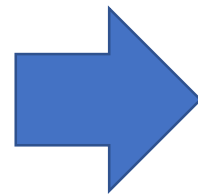
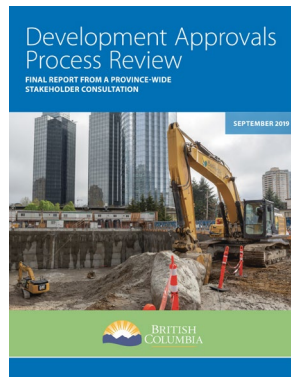


 Supported Expert Panel recommendations

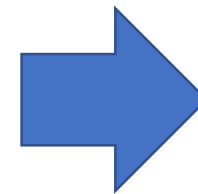
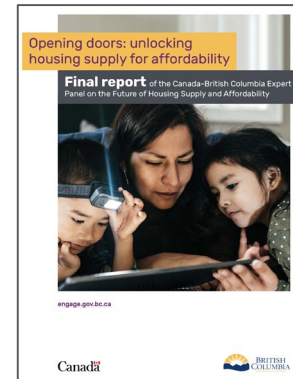
 Modified /Additional recommendations

# 4. Conclusions & Next Steps

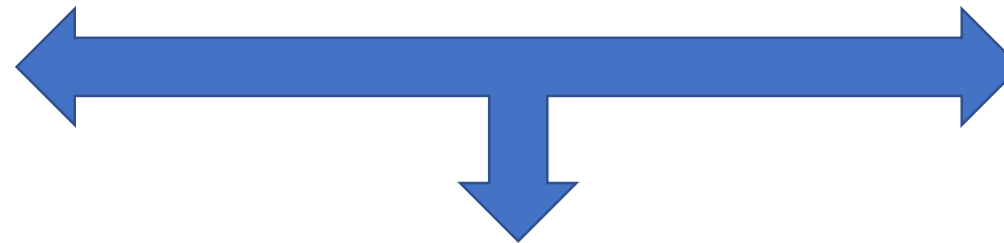
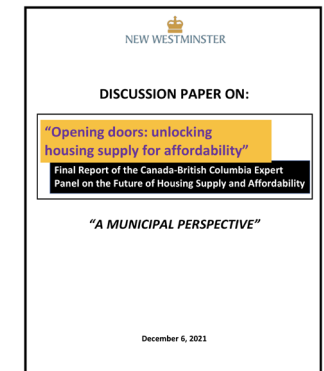
2019



2021



2021



- 2022
- Finalizing New Westminster Recommendations
  - Letter to Provincial & Federal Governments

# **REPORT**

## ***Climate Action, Planning and Development***

**To:** Mayor Cote and Members of Council      **Date:** December 13, 2021

**From:** Emilie K Adin, MCIP      **File:** 01.0170.01  
Director, Climate Action, Planning and  
Development

**Item #:** 2021-628

**Subject:** BC Housing Supply and Affordability: Opening Doors Discussion Paper

---

### **RECOMMENDATION**

**THAT** Council direct staff to send the attached cover letter from the Mayor with the appended discussion paper on the Opening Doors report to the Minister of Municipal Affairs, the Attorney General and Minister Responsible for Housing, and the Minister of Finance.

---

### **PURPOSE**

To seek direction from Council regarding the City's response to the Final Report of the Canada-British Columbia Expert Panel on the Future of Housing Supply and Affordability, Opening Doors: Unlocking housing supply for affordability.

### **SUMMARY**

The Canada-British Columbia Expert Panel on the Future of Housing Supply and Affordability published their final report in June 2021. The report provides 23 recommendations on addressing housing supply, many of which, if implemented, would have implications for local governments. The City retained a consultant to explore these implications and to draft a discussion paper providing a progressive municipal perspective. This report provides context for Council's workshop on the Expert Panel report, and seeks Council's direction on potential next steps to help ensure municipal voices are included in further implementation of the Expert Panel's recommendations.

## **BACKGROUND**

### **Provincial Measures to Address Housing Affordability and Supply**

The housing crisis is increasingly on the radar of local government and senior levels of government. In recent years, the Province has started to address demand-side drivers of housing unaffordability through the introduction of new taxation measures, inquiries into money laundering in the real estate sector, and other actions.

As part of addressing supply-side issues, the Province ran the Development Approvals Process Review (DAPR). This process was led by the then Ministry of Municipal Affairs and Housing, and involved local government through a stakeholder working group and technical committees. Phase 3 of this review culminated in a report on consultation findings, published in September of 2019 ([https://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/local-governments/planning-land-use/dapr\\_2019\\_report.pdf](https://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/local-governments/planning-land-use/dapr_2019_report.pdf)). The report provides a range of opportunities for improving the development approvals process.

In September 2019, the federal and provincial governments convened an “Expert Panel” on housing affordability in British Columbia. The panel was made up of private sector representatives and one representative of the non-profit housing sector. The panel was chaired by the chair of ICBC. Through 2020 and early 2021, the panel engaged with stakeholders and experts. In June of 2021, their final report was published, titled “Opening Doors: Unlocking housing supply for affordability” ([https://engage.gov.bc.ca/app/uploads/sites/121/2021/06/Opening-Doors\\_BC-Expert-Panel\\_Final-Report\\_Jun16.pdf](https://engage.gov.bc.ca/app/uploads/sites/121/2021/06/Opening-Doors_BC-Expert-Panel_Final-Report_Jun16.pdf)). The 23 recommendations of the report fall into five “call to action” categories:

1. Creating a planning framework that proactively encourages housing;
2. Reforming fees on property development;
3. Expanding the supply of community and affordable housing;
4. Improving coordination among and within all orders of government; and
5. Ensuring more equitable treatment of renters and homeowners.

In October 2021, the Ministry of Municipal Affairs announced the following legislative changes to streamline development approvals:

- removing the default requirement for local governments to hold public hearings for zoning bylaw amendments that are consistent with the official community plan; and
- enabling local governments to delegate decisions on minor development variance permits to staff.

These changes to provincial legislation were presented in the DAPR Phase 3 report as some of the many potential changes that could improve development review processes. The changes were announced without any reference to a larger effort to implement the many findings and recommendations arising from DAPR, i.e., there was no reference to a Phase 4 implementation phase.

### **New Westminster Context and Response**

New Westminster has been actively engaged in finding innovative opportunities to address housing affordability and security. The City continuously seeks to improve development review processes to support the creation of appropriate housing supply. Attachment 1 lists some of these initiatives.

The City provided input into the Province's DAPR process. Municipalities were invited to participate through multiple avenues, and a variety of municipal perspectives are captured in the final report on the consultation phase (phase 3).

Staff's initial review of the joint provincial/federal Expert Panel's report identified significant issues with some of the assumptions that were underlying the conclusions reached, as well as concern about the lack of municipal representation on the panel, some of the recommendations put forward, and the lack of clarity around how this report may be implemented.

A consultant was retained to lead a more fulsome review of this latter report, and provide a municipal perspective. The resulting discussion paper is included as Attachment 2.

### **DISCUSSION**

The attached discussion paper evaluates and discusses each of the five "calls to action" of the Expert Panel report, and notes that many are supportable. It also provides commentary on the following overarching concerns:

- The Expert Panel focused exclusively on supply-side measures to address housing affordability. This may have been due to a need to narrow the scope of their review, but there are also suggestions in the report that demand-side opportunities have been exhausted. The attached discussion paper notes, instead, that there is room for more demand-side action, and that there is not consensus on the extent of the supply crunch. Whether housing supply comes on line depends partly on municipal processes (the focus of the Expert Panel), but also on land economics and construction costs, development constraints, and the extent of demand in particular locations for different housing forms.
- Local governments, despite their key role in delivering housing supply, were not meaningfully engaged in the creation of the Opening Doors report. Many of the recommendations put forward in the report have significant implications for local government development review processes and planning frameworks. As a

result of not having had local governments at the table in formulating the recommendations, the attached discussion paper suggests that, if implemented, some of the recommendations may not help solve the housing challenges being faced, and could instead have unintended negative consequences that could further exacerbate the affordable housing crisis.

- The attached discussion paper calls for municipal involvement in any implementation of the Expert Panel's report, and suggests the Expert Panel's recommendations be considered as input into the DAPR Phase 4 "Initiate Solutions" process.

## **NEXT STEPS**

To explore additional opportunities for responding to the Expert Panel report and potential reforms to housing legislation, the discussion paper author, Gary Penway, will be leading a discussion with Council at the workshop session on December 13. The workshop will also be an opportunity for Council to identify priority actions that it supports. These could be taken from the DAPR Report, Expert Panel report or other sources. This could lead to a "made in New Westminster" set of recommendations for referral to senior government. The agenda for the workshop is included as Attachment 3 to this report.

It is unclear whether more of the options included in the DAPR Phase 3 report will be implemented, to what extent or how the Opening Doors report will be implemented, and what role municipalities will have in determining the details of implementation. Staff advises, as a minimum, sending the attached draft letter from the Mayor to the Province (Attachment 4) and enclosing therein the attached discussion paper. The intention of sending these documents to the Province is not only to advocate for significant involvement of local government in further implementation steps, but to offer constructive support to the Province in their efforts to tackle issues of housing supply and affordability.

Staff will monitor implementation of the two recently announced legislative changes, i.e., delegating variance approval authority to staff and removing public hearing requirements for applications consistent with the Official Community Plan. Staff will report back to Council on whether these changes could be utilized to further improve the development review process in the New Westminster context.

## **OPTIONS**

The following options are provided for Council's consideration:

1. That Council direct staff to send the attached cover letter from the Mayor with the appended discussion paper on the Opening Doors report to the Minister of Municipal Affairs, the Attorney General and Minister Responsible for Housing, and the Minister of Finance.



2. That Council provide staff with alternative direction.

Staff recommend Option 1.

**ATTACHMENTS**

- Attachment 1 – New Westminster Housing Affordability and Supply Measures
- Attachment 2 – Discussion Paper on the Opening Doors Report “A Municipal Perspective”
- Attachment 3 – Workshop Outline
- Attachment 4 – Draft Letter to the Province Conveying Discussion Paper

**APPROVALS**

This report was prepared by:  
Meredith Seeton, Policy Planner

This report was reviewed by:  
Lynn Roxburgh, Acting Supervisor of Land Use Planning and Climate Action  
Jackie Teed, Senior Manager, Climate Action, Planning and Development

This report was approved by:  
Emilie K. Adin, Director, Climate Action, Planning and Development  
Lisa Spitale, Chief Administrative Officer

Attachment 1  
*New Westminster Housing Affordability and  
Supply Measures*

## **Attachment 1 – New Westminster Housing Affordability and Supply Measures**

New Westminster has long been finding innovative opportunities to address housing affordability and security:

- The City's Official Community Plan addresses regional population and housing projections by designating transit-oriented locations for significant density. The City has a history of accommodating the growth projected by Metro Vancouver.
- The City's family friendly housing requirements were the first of their kind in the region, intended to ensure that as the City's housing stock transitions to more multi-family forms, families can be suitably accommodated.
- The infill housing program is intended to enhance ground-oriented housing options in New Westminster neighbourhoods. Phase one led to new laneway/carriage house and infill townhouse/rowhouse options, and phase two (scheduled for 2022) will increase options for duplexes, triplexes and quadraplexes.
- The City's Rental Housing Revitalization initiative is intended to protect and expand the rental housing stock.
- The Small Sites Affordable Housing Program has made small City-owned lands available for affordable housing projects.
- The Housing Needs Report, endorsed in July 2021, provides a comprehensive picture of housing supply and affordability in the city, and will inform further policy and action.
- The City waives fees, provides significant staff support, and expedited and streamlined processing for affordable housing projects, and actively seeks out partnership opportunities with housing providers and senior levels of government.

In addition to work directly focused on housing affordability and options, the City continuously looks to improve development processing. Examples of initiatives that make the development review process streamlined and transparent include but are not limited to:

- Offering concurrent processing of Official Community Plan amendment, rezoning and Development Permit applications;
- Delegation of approval authority for all Development Permits to the Director;
- Prezoning much of Downtown and Sixth Street for significant density, and allowing for laneway and carriage houses on eligible lots without a rezoning;
- Offering pre-application review to provide detailed interdepartmental feedback early in the process;
- Responding to the pandemic with an Interim Development Review Process to ensure development review continues to advance efficiently;

- Continuous review of policy and bylaw effectiveness, such as improvements to the infill housing policies and regulations following one year of implementation, and the Heritage Revitalization Agreement Refresh process; and
- Establishing expedited processes for bylaw amendments related to crisis issues, such as the homelessness crisis.



NEW WESTMINSTER

## DISCUSSION PAPER ON:

**“Opening doors: unlocking housing supply for affordability”**

**Final Report of the Canada-British Columbia Expert Panel on the Future of Housing Supply and Affordability**

***“A MUNICIPAL PERSPECTIVE”***

**December 6, 2021**

This Discussion Paper has been prepared for the City of New Westminster by Gary Penway Consulting in consultation with New Westminster staff:

Emilie Adin, Director of Climate Action, Planning + Development

Jackie Teed, Senior Manager

Tristan Johnson, Senior Planning Analyst

**Gary Penway Consulting**  
*Creative Solutions - Practical Implementation*

# Table of Contents

<b>I.</b>	<b>EXECUTIVE SUMMARY</b> .....	<b>3</b>
<b>II.</b>	<b>INTRODUCTION</b> .....	<b>7</b>
<b>III.</b>	<b>PARTNERS IN GOVERNING</b> .....	<b>10</b>
<b>IV.</b>	<b>THE ROLE OF DEVELOPMENT IN SHAPING OUR FUTURE</b> .....	<b>12</b>
<b>V.</b>	<b>OVERVIEW OF DEVELOPMENT APPROVALS IN B.C.</b> .....	<b>13</b>
<b>VI.</b>	<b>DISCUSSION OF THE EXPERT PANEL FINAL REPORT</b> .....	<b>16</b>
	GENERAL DISCUSSION.....	16
	CALL TO ACTION 1: Creating a Planning Framework that Proactively Encourages Housing.....	19
	CALL TO ACTION 2: Reforming Fees on Property Development.....	29
	CALL TO ACTION 3: Expanding The Supply of Community and Affordable Housing.....	33
	CALL TO ACTION 4: Improving Coordination Among and Within All Orders of Government...	35
	CALL TO ACTION 5: Ensuring More Equitable Treatment of Renters and Homeowners.....	37
<b>VII.</b>	<b>MATTERS NOT ADRESSED IN THE EXPERT PANEL REPORT</b> .....	<b>38</b>
<b>VIII.</b>	<b>CONCLUSIONS &amp; NEXT STEPS</b> .....	<b>39</b>
<b>IX.</b>	<b>ATTACHMENTS</b>	
	1. Development Approval Process Review (DAPR) Phase 3 Report - Appendix B List Of Opportunities.....	41
	2. Evolution of Land Use Controls in British Columbia.....	49
	3. Metro 2050 Regional Growth Strategy (DRAFT) excerpt .....	51

## I. EXECUTIVE SUMMARY

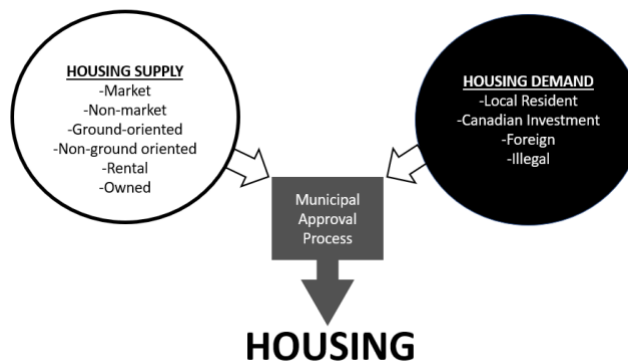
Housing affordability has been at a crisis state for many British Columbians for decades. The crisis has now expanded to include many more British Columbians, including the middle class. B.C.'s housing crisis was previously considered a local issue, largely limited to Metro Vancouver. It has now expanded and become a provincial and national issue. The creation of the Federal-Provincial Expert Panel on the Future of Housing Supply and Affordability shows recognition of the scale of the housing problem.

The Federal and Provincial Governments were once very active in supporting the delivery of affordable, non-market and special needs housing. This support largely disappeared in the 1980's and municipalities were largely left to their own devices to address housing needs. With limited resources and constrained legislative authority, this was a struggle. Some municipalities, including New Westminster, tried in earnest to do what they could to provide attainable and/or affordable housing. Others deferred to senior governments and did not make significant efforts on their own, feeling that affordable housing was within senior not local jurisdiction.

Given the housing crisis now before us, all levels of governments have recognized the need to take action. A key first step is to first define the problem. Unfortunately, agreement on the nature of the housing crisis is difficult to achieve.

There are many influences on the housing market. From a demand perspective, there is a necessity to meet the needs of local and future residents. However, the market is not limited to this. Housing in B.C. has become an investment opportunity/commodity. Investors include local residents, Canadians who reside outside of the local area, and others living throughout the world. Housing in our province has also apparently become a convenient place to launder illegally gained moneys. All of these additional market forces have increased competition for housing beyond local needs and driven prices up. Some action to address unnecessary demand has been undertaken in recent years, which is appreciated.

From a supply perspective, there are various types of housing needed. This includes owned, rental, ground-oriented, non-ground oriented, non-market and special needs. The limited support from Federal and Provincial governments for non-market and special needs housing has created a significant shortage of this form of housing.



These supply and demand forces converge on municipalities creating pressures which can be challenging to meet. Since the supply of housing is dependent upon municipal approvals, the development approval process itself becomes a factor in how the housing market functions. It affects the flow, type, tenure and cost of



housing entering the market. Through their approvals, or lack thereof, municipalities play a role in the supply of housing.

In an ideal housing market, demand would match local needs, supply would meet that need, and prices would be attainable based upon local incomes. The municipal development approval process would process housing approvals in an efficient and effective manner to create highly livable and sustainable communities.

The Expert Panel on Housing Supply and Affordability has focussed its attention on **housing supply** as the primary cause of unaffordability, including the supply of both market and non-market housing. The municipal development approval process is the subject of 12 of the 23 Expert Panel recommendations. Many other recommendations call for senior government funding /supports for non-market housing.

It is easy for municipalities to support many of the Expert Panel's recommendations. This includes calls for increased senior government funding and support for non-market housing. After representing approximately 10% of the new housing market through the 1970's and 1980's, such housing has been sorely lacking in recent decades. Most recently, renewed efforts by senior governments have been forthcoming and are greatly appreciated. The Expert Panel recommends returning to previous levels of support which would be excellent. Better coordination between all levels of government will also be helpful, as recommended.

Most of the other non-municipal recommendations are supportable at the local level. However, when it comes to the Experts Panel's recommendations on changes to the municipal development approval processes, more discussion is required.

Unfortunately, there is not an agreement on whether the supply of housing is currently meeting demand. The current growth in housing units in Metro Vancouver is significant but is still not meeting the housing demand estimates contained in the Metro 2040 Regional Growth Strategy. Some explain this shortfall as evidence that the demand was not there for more housing.

The Expert Panel and many others disagree. It states that municipalities in the region are failing to meet the demand for housing, particularly ground-oriented housing, and that the resulting shortage is driving up prices. Further, they conclude that since this undersupply has been ongoing for a considerable length of time, the current housing supply is inadequate to meet even the current need, excluding future growth. Their conclusion is supported by international housing supply comparisons. To compensate for this undersupply, they propose an "Affordability Adjustment" of 15% to 25% beyond Metro's estimates. If such an adjustment is added, Metro Vancouver is approximately 44% below meeting its housing growth needs. These differing perspectives on housing demand must be reconciled if we are going to take collective action to address the housing crisis.

The Expert Panel recommends a variety of changes to municipal processes, as summarized below:

- that housing needs estimates be revised to include an Affordability Adjustment (+ 15% to 25%)
- that "Housing Targets" be required for municipalities
- that Housing Targets be enshrined in OCP's
- that Housing Targets be binding on municipalities
- that statutory time limits for the processing of applications be established for all development approvals (presumably Rezoning, Development Variance Permit, Development Permit, Subdivision, Building Permit, etc.)
- OCP updates be required every five years
- pre-zoning of lands to coincide with OCP designations

- pre-zoning for below-market housing sites
- minimum densities to be specified around major transit stations
- density bonuses for below market housing
- phasing out CAC's in favour of expanded DCC's
- required long-range amenity planning and funding
- Provincial review of municipal revenue generation to secure more reliable funding sources that are less dependent on development approvals
- modified OCP, PH and other processes
- linking senior government infrastructure investments to municipalities achieving their Housing Targets
- province-wide electronic permit system
- province-wide repository of all municipal regulations

The breadth of these recommendations is significant. There are some that can be easily supported from a municipal perspective. Others, however, are either not supported, need further discussion, and/or need to be supplemented.

It is regrettable that the Expert Panel did not have a municipal representative on it given how many of the recommendations affect local government. Such a perspective could have resulted in a more implementable set of recommendations. It is also unfortunate the role of regional governments in influencing housing supply was not more clearly addressed.

The development approval process has become complex, and changes are needed. This was well documented in the 2019 B.C. Development Approval Process Review (DAPR). The Expert Panel recommendations have drawn from some, but not most, of the DAPR Phase 3 Report's "Opportunities for Improvement". Solutions to address the existing development approval process will have to be carefully crafted and packaged. These will have to work for municipalities, applicants and the public. Simplistic solutions, such as statutory time limits on their own, will not be effective, as appears to be the case in Ontario. Changes must address the causes of slow and uncertain processes. While the Expert Panel has raised many interesting new perspectives that are worthy of consideration, their proposed package of changes will not fully address the challenge before us.

The following Discussion Paper addresses each of the Expert Panel's 23 recommendations. In general, it is felt that:

- Demand as well as supply must be addressed;
- Municipalities are partners with regional, provincial and federal governments in delivering housing and must be engaged in discussions to address the housing crisis;
- The importance of the development process needs to be recognized and supported;
- Federal and Provincial support for the delivery of non-market housing is strongly supported;
- Federal and Provincial support for non-profits providing housing is strongly supported;
- Support for renters is strongly supported;
- The method of determining housing needs, including consideration of an "Affordability Adjustment", requires a focussed discussion with regional districts and local governments;
- The quality of development and sustainability of our communities should not be lost in the interest of efficiency;
- The role of applicants and professional consultants in slowing the existing approval process needs to be addressed;

- The role of senior government agencies/ministries in slowing the existing approval process needs to be addressed;
- A package of legislative and other changes is required that removes impediments to faster and more certain municipal approvals. Statutory time limits alone will not achieve this;
- The Expert Panel's proposed changes to municipal processes (OCP's, creation of housing targets, CAC's, municipal revenue sources, pre-zoning, statutory time limits, etc.) should be considered as input to the B.C. DAPR Phase 4 "Initiate Solutions" process;
- Matters not addressed by the Expert Panel need to be considered;
- Municipal and Regional input will be essential to arriving at solutions that achieve effective and efficient development approvals;

Many of the Expert Panel senior government recommendations can be acted upon quickly, including increased support for affordable and special needs housing.

A next step on improving municipal approvals should be a robust process with the goal of creating legislative changes to retool regional and municipal development approvals. That process will require deep consultation with stakeholders to be successful.

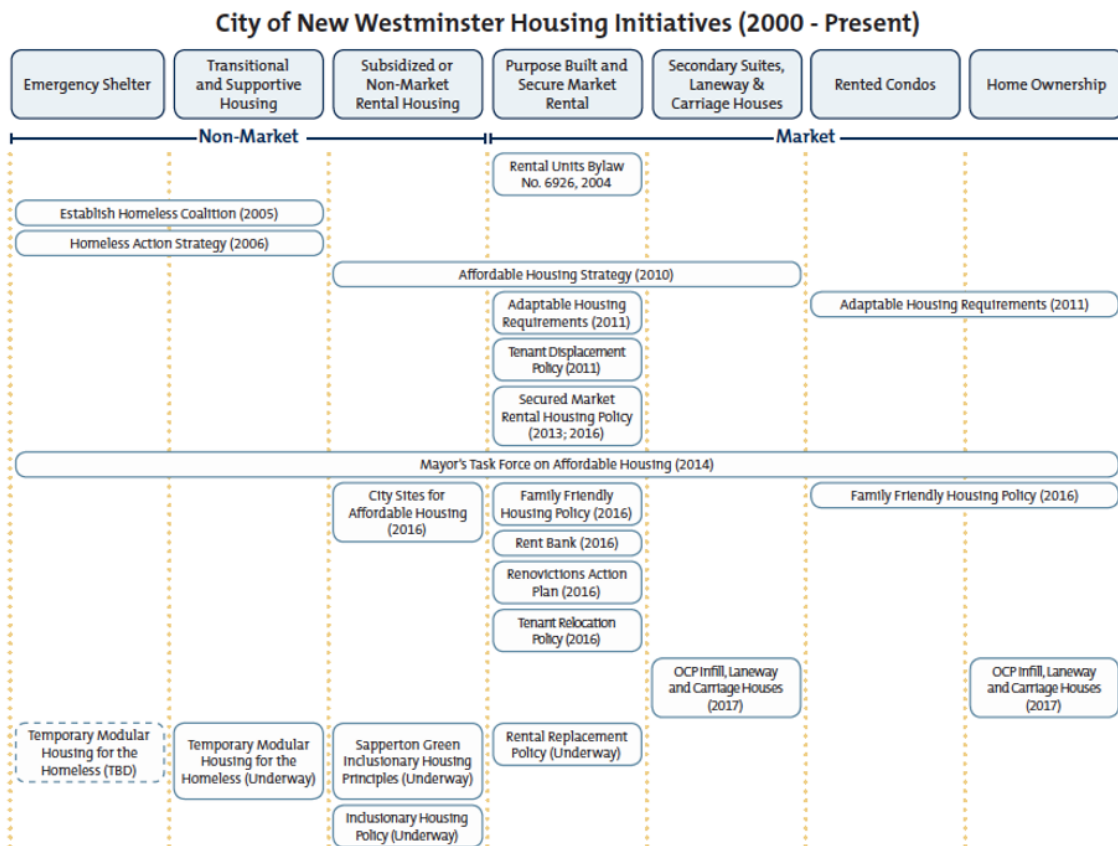
Municipalities look forward to participating in such a process.

## II. INTRODUCTION

The City of New Westminster wishes to thank the Governments of Canada and British Columbia for their interest in addressing housing supply and affordability in British Columbia. This topic has been of great concern to our city for many decades.

New Westminster is one of B.C.'s oldest municipalities. Of all households, 44% are renters and 34% of those rental households are in 'core need'. Over 75% of our rental homes are over 40 years old, which puts them at risk of demolition or "renoviction". Of New Westminster's total population, 15% are living below the poverty line with a significant number being at risk of homelessness. Over 560 of New Westminster households are on the B.C. Housing waitlist for non-market housing and over 130 families have sought emergency financial relief through the New Westminster Rent Bank. Vacancy rates have been very low for many decades and homelessness is an ongoing problem.

In this context, it should be easy to understand why housing is a serious concern to our community. New Westminster has been taking strong actions on behalf of our residents to address both housing affordability and tenant security. A summary of New Westminster's recent housing initiatives (some of which include senior government assistance) is shown below.



Taking these bold steps has been controversial at times, but necessary. We are proud of our actions and appreciate the support we have received from senior governments.

Senior government action is of critical importance. After several decades with little support, the Federal and Provincial Governments have recently become much more actively involved in supporting housing initiatives. Those efforts have sought to address housing demand, housing supply and the provision of non-market housing. As with New Westminster’s efforts, these are commendable, but not enough.

The creation of the **Canada-British Columbia Expert Panel on the Future of Housing Supply and Affordability** (the “Expert Panel”)<sup>1</sup> is yet another example of Federal and Provincial interest in B.C.’s housing crisis. We thank the Expert Panel members, as well as the supporting CMHC and Provincial staff, for their efforts.

The **Final Report of the Expert Panel** (the “Final Report”) was released on June 17<sup>th</sup>, 2021. It includes five “Calls to Action”:

- 1. Creating a planning framework that proactively encourages housing;**
- 2. Reforming fees on property development;**
- 3. Expanding the supply of community and affordable housing;**
- 4. Improving coordination among and within all orders of government;**
- 5. Ensuring more equitable treatment of renters and homeowners.**



All five of these *Calls to Action* objectives are fully supported by the City of New Westminster. Much can be done to improve the delivery of housing, retain existing rental housing and provide new affordable housing in each of those categories.

The Expert Panel’s Final Report identifies 23 specific recommendations intended to achieve the five *Calls to Action*. We support many of those recommendations. A majority of the 23 recommendations relate to municipal governance. It is at this level that we feel that a municipal perspective is necessary to help guide further actions.

The Expert Panel recommendations would impact municipal planning, financing, infrastructure and information systems. Municipal public process and, to some extent, governance, would also be affected. Although not specifically addressed in their report, corresponding changes would also be necessary for regional governance and planning. These are not trivial matters and will need careful consideration.

<sup>1</sup> Opening doors: unlocking housing supply for affordability. Final report of the Canada-British Columbia Expert Panel on the Future of Housing Supply and Affordability: [https://engage.gov.bc.ca/app/uploads/sites/121/2021/06/Opening-Doors\\_BC-Expert-Panel\\_Final-Report\\_Jun16.pdf](https://engage.gov.bc.ca/app/uploads/sites/121/2021/06/Opening-Doors_BC-Expert-Panel_Final-Report_Jun16.pdf)

It has been 25 years since Provincial legislation related to development has been comprehensively reviewed. Much has changed since the Local Government Act was introduced in 1996. The Expert Panel recommendations would necessitate a fundamental review of the Local Government Act. We agree that it is time for such a review.

In recent years many concerns have been expressed regarding municipal approvals. Common concerns include slow process times, municipal costs, uncertainty, complexity, etc. These concerns were well documented in a 2019 Province-wide study called the Development Approval Process Review (DAPR). Many “Opportunities for Improvement” are presented in Appendix B of the DAPR Phase 3 report (Attachment 1). The Expert Panel’s recommendations touch on some, but not most, of the issues raised in the DAPR report. It has been anticipated that Phase 4 of the DAPR process, “Initiate Solutions”, would lead to legislative changes. All of the diverse participants in the DAPR process, including municipalities and developers, supported change.

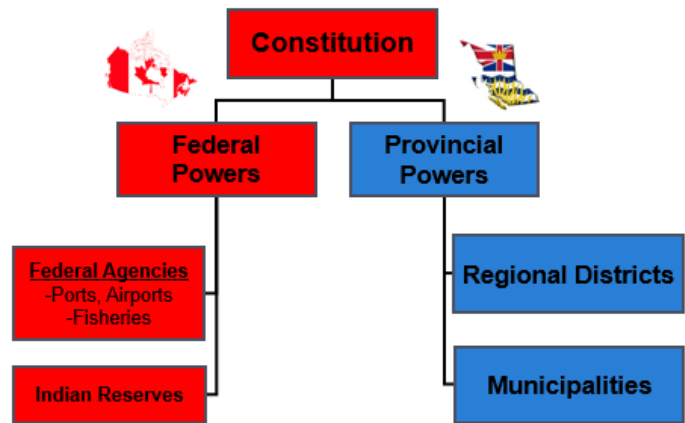
While many of the Expert Panel recommendations might be implemented fairly quickly by senior governments, those that affect municipalities require further consideration with a broader perspective and more direct municipal input.

This Discussion Paper has been prepared in the spirit of making a positive contribution to the ongoing discussion of how all levels of government can take action to more effectively address housing supply, demand, security and affordability. The Federal-Provincial Expert Panel’s contribution to this discussion is valuable, although not fully supported. In our view, this discussion needs to continue through a process that directly involves more stakeholders (including municipalities) and addresses a wider range of issues. Phase 4 of the DAPR process “Initiate Solutions” was expected to be such a process.

Municipalities, like New Westminster, look forward to actively participating in a process that will harmonize policies at all levels of government and affect change. The following sections offer a municipal perspective on the Expert Panel Final Report including a commentary on the role of municipalities, the importance of development and the current state of B.C. legislation. Discussion is then provided on each of the 23 recommendations proposed to implement the five *Calls to Action*. Suggestions are provided for each of the 23 recommendations.

### III. PARTNERS IN GOVERNING

The Canadian Constitution divides governing powers between the federal and provincial governments.<sup>2</sup> Municipalities are not established in the Constitution. Rather, provincial governments are granted authority for local matters, and Provinces then create municipalities and delegate a small portion of their provincial authority to them. Regional governments are another important level of government created by the Province of B.C.



Our constitution creates an interesting situation for municipalities. Municipalities have a very indirect relationship with the Federal Government. The federal government typically deals directly with provincial governments, as per the constitution, not municipalities. Most federal initiatives affecting local governments therefore flow through the province. As a result, there are very few formal connections directly between the federal and municipal governments. This constitutional framework limits the federal government’s role in housing matters.

In contrast, municipalities are wholly dependent upon the provincial government for their very existence and authority. Municipal relationships with the Provincial Government are therefore both direct and subordinate. Municipalities must work within provincial legislation and must undertake responsibilities assigned by the province.

The structure of regional districts in B.C. creates a collaborative form of regional governance. Municipalities collectively set regional policy including Regional Growth Strategies (RGS). Municipal Official Community Plans (OCP’s) must generally fit the regional vision. This is done through a Regional Context Statement. Municipalities are responsible for Official Community Plans, Zoning Bylaws and other policies and regulations.

It is through the efforts of all four levels of government that the housing market operates. These relationships are important to understand since municipalities are not free to simply operate as they see fit. Rather, they govern within limited means, constrained legislative authority and regional influence. Effective governance in B.C. is therefore dependent upon a complicated relationship between four levels of government. To be most effective, all four levels need to work in unison, which can be very challenging to achieve.

Canada’s layered approach to governing with comparatively weak municipal governments does not exist in all countries. In geographically smaller countries, there is no need for strong provincial levels of government. As a result, municipalities there often have a strong and direct relationship with the national government and enjoy much more power. For example, in Sweden, the City of Stockholm has considerably

<sup>2</sup> This is a simplified summary of the Canada Constitution intended to show the constitutional relationship of municipalities. Aboriginal authority is another important consideration which is not adequately recognized in the constitution. The brief summary provided here is not intended to exclude or diminish the importance of aboriginal constitutional rights or other aspects of the constitution.

more legislative authority and more revenue generating options, including the collection of income tax. This allows them to operate quite differently.

While the authority of B.C. municipalities may be limited, their role should not be underestimated. Local governments represent their portion of the federal and provincial electorate and have the most direct contact with them. Municipal Councils shape and govern the communities where the vast majority of Canadians live and work. The quality of life for most Canadians depends largely upon the quality of their local government.

It is noteworthy that Federal and Provincial objectives are often implemented through local governments. This may occur through Provincial legislative direction, Provincial funding, Federal legislation, Federal funding (through the Province), or simply shared values. The following are examples of development related issues that municipalities address to meet senior government objectives:

- Construction Standards
- Affordable Housing
- Wildfire Prevention
- Fish Protection
- Economic Development
- Remediation of Contaminated Sites
- Climate Change Mitigation
- Climate Adaptation / Resiliency
- Sustainability
- Disaster Response
- Earthquake Prevention
- Healthy Communities
- Stormwater Management
- Sea Level Rise
- Transportation
- Equity, Diversity and Inclusion
- Finances
- Infrastructure
- Etc.

Municipalities are also sometimes leaders. Since local governments are smaller and more accessible, it is often easier for them to identify and respond quickly to emerging issues. In this way, they often serve as leaders in the response to trending issues. This is common around the world as was demonstrated through the international Local Agenda 21 initiative (beginning in the 1990's) that led the effort to achieve sustainable development. Many B.C. municipalities participated in that effort. The Federation of Canadian Municipalities (FCM) Partners for Climate Protection initiative is another example of local governments responding to climate change ahead of senior government legislation and regulation. Municipalities therefore often serve as "incubators" for new policy with senior governments following with larger scale initiatives. As a result, good governance does not always correlate with a top-down relationship from senior governments.

In all of these ways, municipalities are partners with our senior governments. By aligning the policies and initiatives of all four levels of government, we will have the best chance to deliver housing for Canadians. Recognizing the role of each of these partners is an important first step. Listening to each other is essential.



## IV. THE ROLE OF DEVELOPMENT IN SHAPING OUR FUTURE

The significant role that development plays in addressing local, regional, provincial and national issues is often not well understood.

To a large extent, development defines our future. Development creates our built environment for the next 50 to 100 years. Buildings establish a long-term relationship with nature and our carbon footprint. How and where we build largely determines our transportation and infrastructure needs. Development plays a major role in determining the health, inclusiveness, quality of life and even the financial viability of our communities, province and nation.

Due to its far-reaching impacts, development is one of the most important policy implementation tools in the country. Since it is the point at which policies become reality, it can also be the time when weaknesses and policy conflicts are revealed. Unfortunately, developers are often the ones that experience such weaknesses and conflicts.

It is also important to understand the significant role that development plays in the economy. The development sector is a major part of B.C.'s economy and a major employer. Inefficient development approval processes have the effect of constraining this industry and the economy.

Given the important role that development plays, it is of critical importance that development occurs **effectively and efficiently**. Yet, it is surprising how little attention is actually paid to the development approval process. With limited (and sometimes outdated) regulatory tools and few funding options, municipalities are largely expected to figure things out for themselves. This leads to frustration for applicants, municipalities and the public.

The development process now involves many professionals, but their training rarely addresses the development approval process itself. As a result, internal municipal processes are largely local inventions, created with little guidance. The diverse range of issues and large number of participants in development approvals has resulted in a much more complex process that is difficult to manage. Given the combination of these factors, it is not surprising that the efficiency and effectiveness of development approvals is challenging for participants and performance varies widely between municipalities.

Since the development is so important and impactful, development regulations and processes should be of great interest to all levels of government. Recognizing this is a significant step towards improving them.

## V. OVERVIEW OF DEVELOPMENT APPROVALS IN B.C.

Our current regulatory environment has evolved over the past 100 years. Relatively simple land use and construction tools were introduced for municipalities in the early 20<sup>th</sup> Century. Those early regulations had a very narrow scope. Standardized construction codes (building, electrical, plumbing, fire) were created by senior governments and enforced by municipalities. When Zoning was introduced in 1925, most municipalities applied zones for various uses across their city (now referred to as “pre-zoning”).

As the province grew and society evolved new issues and needs emerged. The Provincial Government responded in the 1960’s with the creation of regional districts and new municipal planning tools. This included the 1968 introduction of Development Permits which had quite rigorous design controls. There was a negative reaction to this level of control. Developers soon requested a more flexible tool that would require negotiation with the developer. In 1971, Development Permits were removed and replaced by Land Use Contracts. Land Use Contracts raised new concerns and were also opposed. These were rather quickly replaced in 1977 by a weaker form of Development Permits with less design control. Similar Development Permit controls, with refinements over the years, remain in place today.

Regional land use planning was initially provided for with strong regional authority over municipal Official Community Plans and Zoning Bylaws. Following complaints from developers and some municipalities, regional planning land use authority was removed altogether in the 1980’s. It was subsequently reintroduced, albeit with less authority and a requirement for unanimous municipal support.

These changes are indicative of the tension that has always existed between municipalities, regional districts and developers/property owners. The Local Government Act RSBC 1996 c.323 (LGA) is the current legislation that primarily enables regional and municipal planning / development controls. The evolution of municipal development tools in B.C. is summarized in Attachment 2.

In order to achieve public benefits that are not clearly provided for in legislation, municipalities have limited options. Very often, municipalities rely on the discretion provided through the rezoning process.

For a variety of reasons, site specific rezoning has emerged as the primary development approval tool for most municipalities. Site specific rezonings offer the most flexibility for applicants since any aspect of bylaws can be amended. On the other hand, rezonings are the longest and most uncertain type of approval process. They require political approval with a public process. Applications can be rejected even if they comply with the Official Community Plan, with no explanation. Although once supported as a development approval tool by developers, developers have become increasingly dissatisfied with the cost, uncertainty and timing associated with rezoning processes.

In some regions, municipalities have seen significant increases in land value accruing as a result of rezoning approvals. This has resulted in a desire to have a portion of the “land lift” directed to public benefits, rather than the vendor/developer. Securing such benefits is commonly known as Community Amenity Contributions (CAC’s), although this is not a defined term in legislation. While most CAC’s are secured through rezoning, some municipalities have written these into their zoning bylaw as a density bonus provision. This offers much more certainty and transparency.

Development approvals in B.C. are now highlighted by:

- High dependency on the rezoning process
- Complex approvals
- A patchwork of local regulations resulting from the absence of progressive new senior government policies

As a result, the development process has become more difficult and expensive for both municipalities and applicants. Steering a development application through the approval process is more challenging than ever.

Developer concerns with the Metro Vancouver development process were expressed in the Getting to Groundbreaking (G2G) study commissioned by the development sector in conjunction with Simon Fraser University from 2013 to 2017. G2G is referenced in the Expert Panel Final Report. The G2G study was subsequently evaluated by the main author, SFU Associate Professor Meg Holden in a 2017 publication. G2G documented developer concerns. It includes a number of interesting findings, including:

- The most problematic aspect of the municipal development processes for developers was timing, not fees.
 

*“G2G research demonstrated that when considering the differential impact of higher fees and longer processing time...home builders were more concerned about the impact of long processes on their business...They responded that extended processing times were causing reduced profit margins, postponing land acquisition, and building less overall.”<sup>3</sup>*
- Higher municipal fees did not necessarily correlate with higher housing costs (contrary to popular belief).
 

*“There are no guarantees that cost savings from reduced expenses in the development process are passed on to home buyers (Sherlock 2013). G2G research demonstrates, if anything, an inverse relationship.”<sup>4</sup>*
- There rigor of the existing development process results in more livable communities.
 

*“From a research perspective, our work provides ample evidence that, in the Metro Vancouver region, residents’ quality of life benefits from the existence of a robust regulatory and planning framework.”<sup>5</sup>*

These findings are useful when trying to identify what to change in order to improve the supply of more affordable housing.

Municipalities should not be portrayed as the villains when it comes to housing and affordability. The development process has certainly become more complex. This is partially because of requirements imposed by senior governments. It is partially due to municipalities “picking up the slack” to address emerging issues not provided for by senior governments. It is partially due the roles played by professionals within the expanded process.

---

<sup>3</sup> Getting to Groundbreaking, but not Build Out: From Formation to Failure in a Regional Housing Indicators Collaborative, M.Holden, 2017 Page 98, [https://doi.org/10.1007/978-3-319-54618-6\\_6](https://doi.org/10.1007/978-3-319-54618-6_6)

<sup>4</sup> Getting to Groundbreaking, M.Holden, Page 107

<sup>5</sup> Getting to Groundbreaking, M.Holden, Page 107

In terms of affordable housing, many municipalities have worked diligently to address housing affordability. This is also from the G2G article:

*“Recent research conducted by the Metro Vancouver housing division reveals that the 15 largest municipalities in the region are, in sum, using a range of over 250 municipal measures to increase affordability, with an additional 30 measures pending adoption (Eberle et al. 2011; Metro Vancouver 2016). While the development and home building industries are quick to point out constraints that municipal policy and process put on affordable housing supply, municipalities are just as quick to respond that developers continue to profit from development. Indeed, development is currently being approved at historically high levels in Metro Vancouver municipalities (Canadian press 2016; Connolly 2016).”*<sup>6</sup>

Still, development approvals and housing are serious problems. The two issues are intertwined.

The challenges faced by municipalities, developers, non-profits and others was well documented in the 2019 B.C. Development Approval Process Review (DAPR). That process included participants from all sectors and parts of the province. All participants, including municipal representatives, agreed that changes were required and a long list of “Opportunities for Improvement” was released at the end of Phase III of the DAPR process. These are included as Attachment 1.

There is general consensus that the current regulatory environment requires change. A variety of changes and supports will be required to expedite the processing of applications. While the Expert Panel Final Report touches on some aspects of this change, the Panel was not charged to address the breadth of the development approval problem, nor were they charged to approach municipal staff as stakeholders in the development approval process. Rather, the Expert Panel has addressed aspects of the development process, aimed at housing, without addressing other concerns. While clearly important, more is required.

---

<sup>6</sup> Getting to Groundbreaking, M.Holden, Page 90

## VI. DISCUSSION OF THE EXPERT PANEL FINAL REPORT

### General Comments

The Final Report of the Expert Panel on the Future of Housing Supply and Affordability is noteworthy in that it brings the Federal Government into the discussion of housing and the municipal development approval process in B.C. Although not directly involved in municipal approvals, Federal Government input and future contributions to housing supply and affordability are welcomed.

The following section includes both discussion of the Final Report and suggestions on how we can collectively move forward in a constructive manner. Most of the specific comments pertain to the first two Calls to Action.

Opening doors: unlocking housing supply for affordability

**Final report** of the Canada-British Columbia Expert Panel on the Future of Housing Supply and Affordability



### Five Calls to Action

As mentioned previously, the City of New Westminster fully supports the Expert Panel’s five “Calls to Action”:

- Expert Panel Calls to Action
1. Creating a planning framework that proactively encourages housing;
  2. Reforming fees on property development;
  3. Expanding the supply of community and affordable housing;
  4. Improving coordination among and within all orders of government;
  5. Ensuring more equitable treatment of renters and homeowners.

These are all laudable categories to address.

**SUGGESTION 1: That methods to achieve the Expert Panel’s 5 Calls to Action be pursued through a broader and more inclusive process aimed at improving the development approval processes in general.**

### Expert Panel Process

As noted previously, municipalities are a partner in governing. We are accountable to our residents and are responsible for land use planning (along with the regional district) and development approvals. Municipalities are acutely aware of the challenges being faced. As such, it was disappointing that there

was not a member on the Panel with internal municipal experience. The absence of such a municipal representative has limited the Expert Panel’s understanding of the issues and possible solutions.

In addition to not having a municipal representative on the Panel itself, the Panel’s consultation process also lacked meaningful input from municipalities and regional governments. While a number of municipal and a few regional contacts were consulted (as listed in the Final Report Appendix), these appear to have been somewhat cursory contacts made early in the process.

The staff supporting the Expert Panel effort have done commendable work. However, most lack municipal experience. As a result, the Expert Panel missed the opportunity to have staff support from experts in local development planning and approvals.

Without meaningful local and regional input, the Expert Panel recommendations cannot be expected to address the diverse and complex challenges faced by municipalities. In order to align federal, provincial regional and municipal policies, it will be necessary to understand and work with municipalities. Municipalities want to achieve this but cannot do so unless they are represented at the table. Although not in the report, it has been explained by Panel members that unanimous support of the Expert Panel was required for recommendations to be included in the Final Report. This has the sound of a very cohesive approach to decision-making, however, that depends on who was on the Panel. The inclusion of a development representative on the Panel combined with the absence of a municipal representative creates an imbalance in representation. The ability to arrive at unanimous decisions with a municipal representative on the Panel would have meant much more.

**SUGGESTION 2: That further efforts to improve the development approval process and increase housing supply and affordability occur with direct consultation with municipalities.**

**Regional Planning**

Within the Final Report there are many references to municipal planning and development approvals. Reference to Regional Governments and regional planning is rare. In practice, regional planning is mandated by the Province in Growth Concentration Areas (areas which the Expert Panel has focussed on) and strongly guides municipal planning and development approvals. It is the region which generates population projections and housing “estimates”. Municipal plans must be aligned with the Regional Growth Strategy (RGS). In Metro Vancouver, Housing Actions Plans are a regional requirement and pre-date the more recently Housing Needs Reports mandated in 2019.



Many of the observations and recommendations contained in the Final Report are equally if not more applicable to regional as to municipal governments. The Final Report makes no recommendations for changes to regional planning, although changes would be necessary to implement the recommendations. This is not to suggest that changes to regional government legislation and planning practices are not warranted, but since they do serve as a fourth level of government, regions should be clearly identified in the report. In particular, forecasted housing needs, municipal growth allocation and regional plan compliance are all germane to the Expert Panel recommendations. The Expert Panel Final Report may leave readers with the impression that municipalities have discretion to set their own growth targets and land use plans when that is not the case.

A number of comments in the Final Report and Appendices suggest that Metro Vancouver's RGS may not be assigning growth throughout the region adequately to meet housing supply needs. The Metro RGS is currently being updated and input is being sought on a draft Metro 2050 RGS. CMHC input is welcomed through that process.

**SUGGESTION 3: That the significant role of regional governments be recognized and that changes to municipal legislation/requirements be pursued in conjunction with regional planning legislation/requirements.**

**SUGGESTION 4: That Metro Vancouver give consideration to the Expert Panel recommendations in the preparation of the new Metro 2050 Regional Plan update currently underway.**

**SUGGESTION 5: That regional governments consider the inclusion of a housing Affordability Adjustment to account for an existing under supply of housing.**

### **Supply AND Demand**

The Expert Panel has focussed their efforts on the supply side of the housing issue. This is articulated at the outset of the report and setting a scope for a study is necessary and reasonable. The topic of housing supply is certainly large enough to warrant its own consideration.

It should not be forgotten, however, that the housing market responds to both supply and demand forces. Housing has become more than a home for many. It has become an investment opportunity attracting local, national and international interest. The Expert Panel report does not address housing demand and neither does this Discussion Paper, at least not in depth.

Municipalities have witnessed developments being marketed as investments more than homes. This and other types of non-principal residence demand can work counter to achieving housing affordability and supply. Further efforts by senior governments to curtail such demand is strongly supported.

**SUGGESTION 6: That senior governments take further actions to eliminate forms of housing demand and speculation that unnecessarily inflate housing prices and reduce affordability.**

The Expert Panel's five Calls to Action are supported by specific recommendations. Each of those recommendations is discussed in the remainder of this section and suggestions are offered in response.

## **CALL TO ACTION 1: “CREATING A PLANNING FRAMEWORK THAT PROACTIVELY ENCOURAGES HOUSING”**

This Call to Action has significant implications for municipalities. As described previously, the legislative framework for planning and development is rather outdated and warrants review. The City of New Westminster welcomes such a review with input from all stakeholders, including municipalities, developers, non-profits, professionals, etc.

The Expert Panel has made 7 recommendations in this category, the most of any of the Calls to Action. A municipal perspective is offered below along with suggestions on how to move forward.

**Recommendation 1: The B.C. government impose statutory time limits to all stages of the property development process, municipal or other, for all types of development. Similar limits imposed in Ontario and Alberta serve as examples.**

As confirmed in the G2G study, timing is having the greatest impact on developers. This must be addressed. While it may be tempting to jump to statutory time limits as the simple solution, such an arbitrary requirement does not get at the root of the problem.

There is a myriad of reasons why applications currently take so long. These impediments must be addressed if timing is to be improved. Without such actions, statutory time limits will be impossible to meet. A case in point is Ontario which has statutory time limits for both rezonings and building permits, but with limited effect.

Under Provincial legislation, Ontario municipalities have 1 month to confirm the completeness of a rezoning application and 6 months to complete the application. If this timing is not met, applicants may appeal to the Ontario Land Tribunal. This timing is considered impossible to meet by some municipalities. Very few rezoning applications are processed in the allocated 7 months. Actual rezoning timelines in Ontario appear to be similar to B.C.’s taking 12-24 months, or longer. External referrals can take a considerable amount of time and municipalities have no control over those responses. Public process is also unpredictable and can require significant time.

The Tribunal appeal process is cumbersome and time consuming. Applicants are reluctant to use the appeal process and instead work things out with the municipality. The threat of an appeal may motivate action of files, but nowhere near the 7 months specified. It is noteworthy that Ontario’s use of the Ontario Land Tribunal (and previously the Ontario Municipal Board) has had significant negative impacts on how applications are processed. Applications have tended to be quite litigious with law firms serving as applicants for developers. Municipalities must process applications on the basis of expecting such appeals. This can create a confrontational and antagonistic process. That is why the Ontario Municipal Board was replaced by a Tribunal.

There is no history of a municipal tribunal in B.C., to introduce such a mechanism over municipalities would be a significant departure from past practice and is not advisable. The DAPR process did not recommend such a tribunal. If there was no such tribunal but statutory time limits were put into place, what would the consequence be for not meeting the times set?



There are many practical obstacles to establishing statutory time limits for rezoning approval. Rather than focussing on such an arbitrary solution, which does not appear to be totally effective, we recommend that efforts be made to work with municipalities to remove the impediments that are currently discouraging or preventing municipalities from processing applications more quickly. That does not appear to have occurred in Ontario and that may be why the process remains frustrating for many applicants.

The fastest land use approval possible is pre-zoning because no rezoning is required. However, since municipalities must rely on the discretionary rezoning process to secure a variety of requirements, they are reluctant to pre-zone. If the impediments to pre-zoning were addressed (i.e., if there were improvements to the regulatory environment for CAC's, DCC's, design controls, green building standards, etc.) applicants could go straight to a Development Permit and Building Permit. Development Permit approvals could also be assigned to staff through legislation to help expedite and de-politicize that level of approval.

With regards to Building Permits, Ontario's statutory time limits sounds impressive. Ontario requires that such permits to be issued in 10 days for SFD's and up to 30 days for larger scale projects. However, this only applies to compliance with the Ontario Building Code. Other aspects of compliance such as zoning, DP's, environmental considerations, etc. are not part of this time restriction. These are conducted prior to the Building Permit (BP) application without time constraints. In addition, the Ontario time limits do not apply to applications that have been deemed incomplete or inadequate, which is a common occurrence in both Ontario and B.C.

As a result, the relatively short statutory BP times specified in Ontario are only for the last and often simplest approval. More realistically, applicants require all levels of approval to build. The most efficient process is often to process more than one type of approval concurrently. The Ontario legislation does not provide for concurrent processing in its time limits. Since this is a common practice in Ontario, the statutory timelines become largely irrelevant for many projects.

There is little doubt that development process times in B.C. are often unacceptably slow. "Fixing" the development process, however, is not as simple as telling municipalities to work faster with fixed time limits. There are significant reasons why applications take as much time as they do. Municipalities are only in control of some of these. The Province needs to work with municipalities to remove existing impediments to faster times. The goal would be to create tools that maintain design rigour and achieve public benefits, but with more certainty, transparency and faster timelines. Working together, significant improvements should be possible.

**SUGGESTION 7: Statutory time limits for rezoning are not considered practical. Instead, effort should be placed on supporting the pre-zoning of selected lands and the removal of existing impediments that are contributing to slower development process times. This would require new or modified municipal tools.**

**SUGGESTION 8: Any consideration of statutory time limits for Development Permits or Building Permits should take into consideration concurrent processing, external referrals, the need to remove existing impediments to faster times and the role of applicants and their professionals in the approval process.**

**Recommendation 2: The B.C. government update the Housing Needs Reports methodology to include an “Affordability Adjustment” (see [box vii](#) and [appendix 4](#)), and require local governments to use anticipated growth numbers from the Housing Needs Reports as binding minimum targets from which to determine land-use policies and decisions;**

The concept of an “Affordability Adjustment” appears to be new to Canada. This forecasting tool has apparently never been used by CMHC, B.C. Stats, regional districts, or municipalities. It is not required as part of the Province’s recently implemented Housing Needs Report Regulation. From the material provided in the Expert Report Appendices, there seems to be valid reasons to consider such an adjustment in some market areas.

The recommendation is for “local governments” to be required to use the Affordability Adjustment when determining housing needs. Such a change ought to begin with Regional Growth Strategies so that regional growth can be properly allocated and planned for at a regional scale.

This introduction of an Affordability Adjustment seems worthy of a focussed discussion since it has significant implications. It will be useful for all agencies involved in forecasting to use a similar methodology. As a result, consultation with federal and provincial agencies will be important.

Metro Vancouver’s current RGS Metro Vancouver 2040: Shaping Our Future (“Metro 2040”) does not contain housing “targets”. At the request of member municipalities, it includes “Housing Demand Estimates” with the following qualification:

*“The Housing Demand Estimates are not targets. These estimates are provided only as reference to assist in long range planning and represent a mid-range/ average trend projection based on the existing rental households in that municipality.”<sup>7</sup>*

Despite significant housing growth in the region, most municipalities in Metro Vancouver are not currently achieving the Metro 2040 “Housing Estimates”. In fact, some Metro municipalities are experiencing slow to no growth.

To adjust the Metro 2040 estimates upwards by 15% to 25% (ranges shown in Table 5 of Final Report-Appendix 4) would result in the region and member municipalities appearing much further behind. It is estimated that with a 20% Affordability Adjustment (as per the Final Report), the region’s supply of housing would be approximately 44% below the adjusted regional Housing Estimates. Only one municipality in the region would have met that level of housing supply since the RGS was adopted in 2011.

The recommendation that Housing Needs Reports include an Affordability Adjustment and be described as Targets and that those targets be binding on municipalities is very significant for municipalities. Growth would have to increase dramatically, particularly in some municipalities where growth rates have been slow to moderate. Would there be public tolerance for that degree of change? Could infrastructure, school construction and community amenities keep pace?

<sup>7</sup> Metro Vancouver 2040: Shaping our Future, 2011, Table A2 Page 69,  
<http://www.metrovancouver.org/services/regional-planning/PlanningPublications/RGSAdoptedbyGVRDBBoard.pdf>

There are two common schools of thought regarding why the region has not met existing Metro 2040 Housing Demand Estimates. One is simply that municipalities failed to deliver. The other is that demand for this housing did not materialize due to slower growth than anticipated. The Expert Panel Final Report takes the perspective that the region and its member municipalities have failed to deliver the housing needed. While the Expert Panel would like to see an increase in accountability by making establishing binding municipal housing targets, the recently released draft Metro 2050 RGS has eliminated population, dwelling units and employment forecasts for individual municipalities.<sup>8</sup> These have been replaced by sub-regional areas (Attachment 3) with municipalities contributing their own Housing Needs Reports that will be aggregated into the regional plan. Municipally generated Housing Needs Reports will therefore become important contributors to the new Metro RGS and will become the main determinant of municipal housing needs. They will then serve as the gauge of whether municipalities are meeting local and regional housing needs. Time will tell how well the new municipally generated Housing Needs Reports accommodate housing needs municipally and regionally.

The Expert Panel recommendation that municipal housing “targets” should be required is a significant change from the status quo. The recommendation that these be “binding minimum targets” takes this further yet. Requiring such binding growth raises a number of questions that would have to be addressed.

Municipalities cannot deliver housing since that is the role of the development sector. They can, however, frustrate the delivery of housing through a lack of zoning and slow rezoning/development approval processes. It would seem that complying with “binding minimum targets” would most likely mean ensuring that sufficient land is zoned and available for development to accommodate that growth. Whether the growth occurred or not would be up to the market.

This Expert Panel recommendation clearly states that significantly more housing supply is required and that municipalities need to be held accountable for accommodating it. This stands in contrast to the Metro 2040 RGS move away from including municipal “forecasts” in the RGS and the contrary perception that housing demand was less than regional forecasts predicted. This is a fundamental difference that must be reconciled if we are to align policies and effectively address the housing crisis.

**SUGGESTION 9: The concepts of an adjustment to housing needs assessments to account for an existing under supply of housing and housing “targets” warrants further consideration. It is suggested that Housing Needs & Targets Workshops be hosted regionally by the Province with CMHC, municipalities and regional districts to consider:**

- the concept, need for and implications of an “Affordability Adjustment” being applied to forecasted housing needs;
- the concept of binding minimum housing targets

---

<sup>8</sup> Metro 2050 Regional Growth Strategy (Draft): <http://www.metrovancouver.org/services/regional-planning/PlanningPublications/DraftMetro2050.pdf>

**Recommendation 3:** The B.C. government require growing municipalities to have official community plans (OCPs) that are updated every five years and developed in tandem with Housing Needs Reports. The provincial government should cover the associated costs. The B.C. government should also require all local governments to proactively update and orient zoning bylaws and infrastructure planning to reflect official community plans, as widely and as rapidly as possible. Practices such as adopting plans without pre-zoning land or orienting infrastructure planning to match those changes, and relying on privately initiated rezoning (spot-zoning) should be strongly discouraged.

Official Community Plans (OCP's) serve an entirely different purpose than Zoning Bylaws. OCP's are intended to set a long-range vision for the future, typically looking forward 20 to 30 years. This allows communities to plan for the future while also creating a sense of stability for residents. OCP's are policy documents that do not establish property rights. Rather, they create a long-range vision and restrict municipal Council's from departing from that vision without an OCP amendment. Within the OCP there should be ample provision for long term growth for that entire time horizon, in accordance with Regional Growth Strategies. Updates typically occur approximately every 10 years. It can often take 3 to 5 years to create a new OCP, since they involve considerable work and opportunities for input.

The suggestion that OCP's be updated every 5 years means that OCP's would be constantly under review. This would be exhausting for Council, staff and the public and defeat the purpose of providing long term stability for the community. OCP's would become short-range visions, subject to constant review. The recommendation to update OCP's every five years is therefore not supported.

The Expert Panel recommends that the Province "require all local governments to proactively update and orient zoning bylaws and infrastructure planning to reflect Official Community Plans, as widely and as rapidly as possible." As long-range documents, the amount of growth provided for in OCP's should extend 20 to 30 years into the future. It should not be necessary, nor is it desirable, to pre-zone for that amount of growth. Pre-zoning too extensively can result in a number of issues including:

- disinvestment in the existing building stock, resulting in urban decay;
- putting existing affordable rental buildings at risk;
- jeopardize heritage conservation efforts;
- zone areas for development that are not adequately serviced, causing frustration for all parties;
- some developers would continue to seek rezonings to achieve higher densities/variances.

Therefore, while there are many benefits to pre-zoning, it must be done in a thoughtful manner and to a limited extent compared to the full development vision established in an OCP.

In Metro Vancouver, municipal Housing Action Plans are a requirement of the Metro 2040 RGS. In 2019, the Province supplemented this with a province-wide requirement for all municipalities to prepare a "Housing Needs Report" by 2022. Housing Needs Reports must be updated every 5 years. Rather than requiring OCP's to be updated every 5 years, it would be more practical for Housing Needs Reports to be referenced in the OCP with only the Housing Needs Reports updated every 5 years.

Municipalities might then be required to pre-zone strategically to accommodate 5-10 years of growth based upon their Housing Needs Report (possibly supplemented by an "Affordability Adjustment"). This could be undertaken carefully to target growth in desired areas and minimizing negative impacts associated with pre-zoning. This would require municipalities to switch their focus towards

neighbourhood-wide planning for development including land use, infrastructure and amenities. The Expert Panel’s recommendation that pre-zoning occur “as widely and as rapidly as possible” is not supported.

There are many benefits to pre-zoning lands in a strategic and targeted manner. Ideally, a package of legislative changes could be introduced to allow or require municipalities to pre-zone effectively. Such a package might include:

- Revised DCC’s to capture urban renewal infrastructure;
- Provision for CAC’s or equivalent, but with constraints, transparency and certainty;
- Authority for “discretionary zoning”, granting more flexibility for staff approvals;
- More effective Development Permit design controls;
- Provincial policies/regulations that progressively address emerging issues such as climate change, healthy communities, affordable housing, green buildings, adaptable/inclusive housing, etc.
- Protection for existing affordable rental buildings;
- Financial support for municipal efforts related to pre-zoning;

**SUGGESTION 10: That 5-year updates to OCP’s not be implemented.**

**SUGGESTION 11: That senior government funding support for OCP/Zoning updates, Housing Needs Assessments, amenity studies, infrastructure studies and neighbourhood plans, is strongly supported.**

**SUGGESTION 12: That impediments to pre-zoning lands be removed by providing municipalities with more effective development tools and authority.**

**SUGGESTION 13: That Workshops be hosted regionally by the Province with CMHC, municipalities and regional districts to consider the concept of requiring a 5-10 year supply of housing to be pre-zoned by municipalities.**

**Recommendation 4: The B.C. government and local governments implement the following ideas presented in the Development Approvals Process Review report:**

- a) Provincial review of public hearings and consideration of alternative options for more meaningful, earlier public input and in different formats,
- b) Provincial policy review of official community plans with respect to development approvals—adoption process, update requirements, recommended levels of detail, streamlining process for minor amendments, and
- c) Provincial policy review to consider tying development approvals to housing targets;

Phase 3 of B.C.’s 2019 DAPR process successfully engaged a wide range of stakeholders and covered the full breadth of problems related to development approvals. A wide range of opportunities for improvement are listed in that report (see Attachment 1). That process is not over. Phase 4: Initiate Solutions is now partially underway.

This recommendation selects three of many DAPR opportunities for improvement. Phase 4 of the DAPR process needs to begin in earnest so that strategic action can be taken in a comprehensive manner. While

taking the actions listed in this recommendation are supportable, singling out only a few of the DAPR suggestions will not address the scale of the problems at hand. As stated in the Phase 3 report, efforts to improve the process need to be “fully informed by the knowledge and experience of those who are directly working with and impacted by development approval processes.”<sup>10</sup>

It is therefore recommended that the Expert Panel’s Final Report be provided to inform the DAPR Phase 4: Initiate Solutions process. In this way it can help influence and shape the broader range of solutions necessary.

**SUGGESTION 14: That the Final Report of the Expert Panel be provided as input to Phase 4 of the BC DAPR process.**

**SUGGESTION 15: That Phase 4 of the DAPR process be fully implemented to arrive a comprehensive package of changes to improve the development approval process with stakeholder input.**

**Recommendation 5: The B.C. government require provincewide interests and priorities (such as those outlined in Homes for BC: A 30-Point Plan for Housing in British Columbia) to be reflected in official community plans. Notably, minimum density requirements and sufficient pre-zoned sites for the development of market and non-market homes around provincially funded transit infrastructure;**

Housing is a major part of regional and municipal plans. It makes sense that these plans would be in alignment with the Provincial policies, such as Homes for B.C.

Rapid transit investment is a major cost largely funded by senior governments. Such investments are only made after careful consideration of future ridership to ensure their long-term viability. Ridership depends upon having an adequate residential population and employment base to deliver those riders.

As such, it is reasonable for senior governments to expect that minimum densities will be achieved in a timely manner when new rapid transit investments are made. The recommendation that municipalities pre-zone areas in proximity to rapid stations has merit. Again, such pre-zoning would require the removal of impediments to such rezonings.

In Ontario development around strategic sites such as rapid transit stations is sometimes occurring through a “Ministerial Zoning Order”. This is an expedited provincial approval of development plans around transit stations. These sometimes occur at the request of the local government who want to expedite the process. For example, this occurred with the “Orbit” development in the Town of Innisfil which will accommodate 30,000 people.<sup>11</sup>

<sup>10</sup> Development Approvals Process Review (DAPR) Final Report from a Province-wide Stakeholder Consultation, 2019 Page 20, [https://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/local-governments/planning-land-use/dapr\\_2019\\_report.pdf](https://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/local-governments/planning-land-use/dapr_2019_report.pdf)

<sup>11</sup> The Orbit: Innisfil: <https://innisfil.ca/orbit/>

It seems preferable to allow local municipalities to deal directly with rezonings, rather than have Provincial approvals imposed. Requiring minimum densities around rapid transit stations would give local Council the impetus to take action and residents would understand that this was a provincial requirement. Such locations could be a good place to test the practicality of pre-zoning before expecting other parts of cities to be pre-zoned.

**SUGGESTION 16: That enabling the pre-zoning of areas around rapid transit stations be considered in conjunction with the removal of existing impediments to taking such action.**

**Recommendation 6: Federal and provincial governments make new infrastructure investments conditional on OCPs, zoning bylaws and other local policies to allow for increased density and a mix of housing types. To inform this, the federal government should continue to provide dedicated funding for collaborative, state-of-the-art urban land-use modelling in major urban areas of Canada. Land-use modelling could be used to guide decisions and actions required across the three orders of government to realize the timely delivery of benefits from joint infrastructure investments. To this end, we recommend \$60 million over 10 years. Though federally funded, we also recommend provincial and municipal support, notably by providing data;**

There are two main aspects to this recommendation. The first involves linking senior government infrastructure investments to municipal efforts to provide for housing. Presumably this would be linked to the proposed binding housing targets. Such a policy could have the effect of rewarding or providing an incentive for municipalities to achieve their housing targets. It would also have the effect of “punishing” those communities that do not.

This could be tricky to implement since some infrastructure is essential. Some infrastructure is regional in nature. While in theory there seems to be some merit in using senior government funding to encourage housing supply, in practice this could be difficult to implement and have awkward political implications.

The second part of the recommendation involves a \$60 million contribution to the urban land use modelling currently provided by the federal government. Presumably, this is through CMHC. It is not clear that these two elements are related. Either could be implemented without the other and ought to be considered individually. Metro Vancouver and BC Stats already have modelling capacity and whether the federal modelling system is adding value to this region is difficult to comment on.

**SUGGESTION 17: That linking senior government funding to municipal performance in achieving agreed upon housing targets be focussed on funding for affordable housing and community amenity investments and not jeopardize essential services and regional infrastructure.**

**Recommendation 7: The B.C. government develop a provincewide digital development permitting system designed to meet local government and industry needs in a streamlined, timely and cost efficient fashion. This system would consist of two main parts: A. central repository including all development requirements and restrictions administered by any order of government or organization, and a case management system for efficient management and monitoring of development proposals from pre-application through to occupancy. We recommend a provincial system that draws on registries operated by the Land Title and Survey Authority, which would be operationally efficient and cost effective for all parties.**

A central repository that includes all development requirements and restrictions administered by any order of government or organization would be massive. In addition, it would be ever changing. It is difficult to see the value in assembling such a database. It would be overwhelming to work with and would include many old regulations in need of replacement. Providing information would become another burden for municipalities. It is doubtful that municipalities would make much use of it. If not, who would benefit from such a repository? Resources would be better spent in other ways.

A better use of resources would be to create Model Bylaws for municipalities to draw from. This could include a Model Zoning Bylaw that is more visual and easier to work with than most current Zoning Bylaws. It could contain same zones for small lot SFD's, laneway homes, townhouse, 6-storey woodframe apartments, mixed-use developments. Model noise, green building standards, active living, riparian regulations etc. would also be useful.

Secondly, the recommendation calls for a case management system for the efficient management and monitoring of development proposals from pre-application to occupancy. A provincial system linked to the Land Title & Survey Office is proposed. While such a system sounds laudable, it would be extremely challenging.

Many municipalities have invested significant resources into customizing an effective permit system. This involves an enormous effort since permit systems need to link to many parts of a municipal government to be most effective. The permit system is a very important part of municipal records management. Permit systems also need to connect to other systems such as municipal payments, business licensing, bylaw enforcement etc. Referrals to a variety of staff with integrated responses are required to function on a common platform. These systems also need to adapt to changing conditions. They also need to respect privacy laws. Provincial grants have just been released to over 40 municipalities to support, in large part, funding for permit system upgrades.

In this context, it seems impractical to think that a central provincial agency could replace all existing systems and operate for all of B.C.'s municipalities. If such a system were to be pursued, it would have to be optional for municipalities. The ability to customize a central system would also be required given the range in municipal sizes/capacity, etc.

An alternative might be for senior governments to work towards standardizing processes then work with existing permit system providers to enhance their products to comply. This could then translate to enhanced systems that could operate on the wide range of platforms that exist around the province.



**SUGGESTION 18:** That a central repository of all municipal regulations not be pursued.

**SUGGESTION 19:** That model municipal bylaws be prepared by the province to provide easily accessible best practice examples.

**SUGGESTION 20:** That a workshop be held to consider municipal permit systems and the potential for improving them through standardized records, routing, etc and the concept of a central permit system.

**SUGGESTION 21:** That municipalities be required to maintain and release application process times.

## CALL TO ACTION 2: REFORMING FEES ON PROPERTY DEVELOPMENT

**Recommendation 8:** local governments designate and prioritize infrastructure needs and amenity “preferences”, as well as the associated share of costs to be generated through development charges, well in advance (for example, during the official planning process, or alongside Housing Needs Reports);

Municipalities already have strong financial management tools in place. 10-year Capital Plans are a requirement and they are updated annually. This recommendation appears to be in support of Recommendation 9, whereby Community Amenity Contributions (CAC’s) would be treated like DCC’s and limited in scope. As discussed below, there are concerns with such an approach to handling land value lifts and CAC’s.

Infrastructure upgrades resulting from a specific development are often not known until context specific and site specific plans and studies are submitted. As a result, they can be difficult to determine in advance. It is a significant issue for municipalities that existing DCC legislation was put into place decades ago when greenfield development was still occurring. As a result, DCC’s are limited to new infrastructure related to growth. Upgrading existing infrastructure through redevelopment is not provided for.

Today sprawl development is discouraged to protect agricultural lands and green zones. More compact communities are being created in accordance with regional plans. These typically occur through the redevelopment of existing neighbourhoods. As a result, older infrastructure needs to be upgraded. However, such upgrades that are directly related to growth cannot be captured through existing DCC regulations. As a result, municipalities must rely on site specific development approvals and use Council’s approval discretion to negotiate infrastructure upgrades. If more effective DCC’s were available, this would not be necessary.

The idea of identifying amenities in advance has merit. The OCP may not be the best tool for this since it is intended to be a high-level vision and amenities can be quite fine grained and variable. Some developments suit a particular type of amenity. For example, a daycare may be very appropriate on one site, but not another. Developers often wish to choose an amenity that best fits their project. Flexibility is therefore helpful.

**SUGGESTION 22:** That this recommendation be considered as part of a larger discussion on how to best provide for amenity contributions.

**SUGGESTION 23:** That DCC regulations be revised to allow municipalities charge for growth related upgrades to existing infrastructure.

**Recommendation 9:** the B.C. government phase out community amenity contributions, as suggested in the Development Approval Process Review (DAPR) report, while expanding the definition of development costs charges in legislation to include a wider list of infrastructure and amenities directly tied to growth, such as those currently funded by CACs. The B.C. government should require any new or expanded fees or taxation of development to only fund capital expenses, and not operating expenses. The B.C. government should also require any new or expanded municipally levied fees or taxation of development to adhere to principles of “nexus” and “proportionality.” Namely, development fees should match the proportion of new amenity of infrastructure requirements directly generated by new development projects, rather than an exhaustive list of desired amenities.

The DAPR report provided more than one option for how to deal with CAC’s. The Expert Panel recommendation has selected one of those paths. The path chosen would likely be most preferred by developers but least preferred by municipalities.

CAC’s are one of the most complex and problematic aspects of the development approval process. When done well, they can deliver significant benefits to the community without creating uncertainty or increasing housing costs. When handled poorly, they can delay and jeopardize projects.

What are loosely discussed as “CAC’s” are not provided for in legislation are therefore not defined. They evolved as a result of rapidly increasing land values associated with municipal up-zonings. Who then should benefit from massive land value lifts? The vendors? The developer? The municipality that is adding to the value of the land through the ranting of additional density/uses?

Municipalities felt that since they were, in part, creating the lift in value, then some of that value should be directed to public benefits. The CAC value was negotiated as part of a rezoning process. These contributions have resulted in a wide range of amenities such as rental housing, affordable housing, daycares, museums, public art, etc. Sometimes the contributions also went to infrastructure upgrades that were not provided for by the very restrictive DCC tool.

CAC’s have been attractive to municipalities since they deliver needed benefits that would otherwise likely not be achievable. They also can help serve the growing population created through development. They can also help make approval of the development more acceptable to local residents and politicians, given that the impacts of new projects will be somewhat mitigated by the new community amenities.

Some of the biggest issues related to CAC’s include the uncertainty they create and that they usually require a site-specific rezoning. Since there is no definition in legislation, there also is no scope or scale to the amenity. CAC’s have evolved into a patchwork of policies throughout the region. This is very problematic for developers and municipal staff. It is noteworthy that CAC’s are not common outside of growth concentration areas since there is not sufficient lifts in land value for developers to be able to make such a contribution.

The Expert Panel is of the view that CAC’s should be treated much like DCC’s and be constrained to only amenities directly attributable to each development. The principle of NEXUS is suggested to apply. This ignores the fact that the origin of CAC’s relates to the lift in value generated by the rezoning, as well as mitigation of development impacts.

There is also a perception in the Expert Panel report that development savings from reduced CAC's would directly result in reduced housing costs. As earlier G2G research revealed, that is unlikely to be the case. Reduced CAC's would more likely result in higher sales prices for property vendors prior to development, or increased profits for developers.

This is not to say that the existing CAC environment is acceptable. The DAPR report suggested two possible options for addressing CAC's. One was to provide legislation for them. Another was to create "Super DCC's". Also mentioned is the need to revamp the existing DCC regulations to expand what can be required to secure necessary infrastructure improvements (particularly in redeveloping older neighbourhoods).

It is beyond the scope of this Discussion Paper to propose a CAC solution, however, a fulsome discussion of available options is necessary. The Expert Panel recommendation is unlikely to be acceptable to local governments actively using CAC's.

**SUGGESTION 24: That, in addition to expanded DCC infrastructure funding, legislation be provided to formally provide for Community Amenity Contributions in manner that creates certainty and a reasonable scope.**

**SUGGESTION 25: It is agreed that CAC's should never be directed to municipal operating expenses.**

**Recommendation 10: the B.C. government conduct a full review of local government revenue sources and spending responsibilities. This review should include consideration of additional or enhanced funding sources for infrastructure and amenities that are more predictable and do not rely on rezoning or the development process. Preferences should be given to means that capture land value through taxation, rather than homebuilding.**

A full review of local government revenue sources is strongly supported. The absence of funding opportunities is affecting how municipalities process development applications and what is required of developers. An expanded DCC program is one example of a needed change to capture infrastructure improvements currently outside of DCC regulations.

The Panel places an emphasis on "capturing land value through taxation, rather than homebuilding". Municipalities see merit in capturing a portion of the land value lift that would likely otherwise be solely gained by the vendor or developer. This could be through either a formal CAC tool or "Super DCC" (as discussed in the DAPR report).

**SUGGESTION 26: That a full review of local government revenue sources be undertaken, including consideration of CAC's, "Super DCC's", modified DCC's with municipal input.**

**Recommendation 11:** federal and provincial government create a municipal housing incentives programs rewarding the creation of net new housing supply wherever demand occurs. Conditions may be tied to these funds, such as caps on new dwelling values or compensation for displaced renters, though their primary purposed is to recognize municipal costs incurred in growing the housing stock and reward growth of housing supply where it is needed. The magnitude of this program can vary, including a sliding scale based on the number of new units added relative to the number they replace.

This is an interesting concept which seems supportable.

**SUGGESTION 27:** That a program for federal and provincial incentives in support of municipal housing supply be pursued.

## **CALL TO ACTION 3: EXPANDING THE SUPPLY OF COMMUNITY AND AFFORDABLE HOUSING**

**Recommendation 12: the federal and provincial governments independently or jointly create an acquisition fund to enable non-profit housing organizations to acquire currently affordable housing properties at risk of being repriced or redeveloped into more expensive units. Conditions should be attached to this funding that will prevent forced displacement of existing tenants when a building is acquired. The B.C. government should exempt non-profit organizations from the property transfer tax for building acquisitions that will be used to provide affordable housing.**

Securing existing rental housing is very important. Protecting existing tenants is equally important. The City of New Westminster has taken bold action to try and achieve these two goals. Older market rental housing provides housing that is attainable for many tenants. It represents a large portion of the existing rental stock.

The Province has recently announced steps to protect existing tenants from “renoviction”. Further efforts to retain existing housing and protect tenants is strongly supported.

**SUGGESTION 28: This recommendation is supported**

**SUGGESTION 29: That further action be taken to retain existing rental housing.**

**Recommendation 13: the federal government make long-term funding commitments, as was done until the mid-1990s, rather than offering short-term capital grants. We recommend that the scale of these funding commitments reflect what is required for the construction of new social housing units to return to historic levels, when nearly 10% of all national housing starts were social housing units.**

Municipalities struggled to provide affordable housing after senior government funding declined. The recent return of senior funding in recent years has been a remarkable transformation. Stable, ongoing support, as called for in this recommendation, is much needed.

**SUGGESTION 30: This recommendation is strongly supported.**

**Recommendation 14: the federal and provincial governments provide more dedicated money to the community housing sector and increase contributions relative to loans under current National Housing Strategy (NHS) programs. Federal funding allocations to provinces should be tied to level of Core housing need.**

Non-profit societies have a long history of helping provide affordable housing. Further support for this sector is strongly supported.

Core need housing is in obvious demand. However, the housing crisis now means that support is needed for people with more income as well. Limiting federal funding allocations to core need housing will limit opportunities to assist others. This limit seems unnecessary.

**SUGGESTION 31: This recommendation is strongly supported with the addition that funding also be available to those above core need.**

**Recommendation 15: all orders of government undertake land assembly and provide long term leases to private and non-profit developers of affordable housing. Several municipalities in B.C. are already doing this, and we recommend an expansion of this practice.**

Ownership of land provides great opportunities for public use. In many municipalities, lands were obtained during the Great Depression of the 1930's. With limited resources, land acquisition at today's market rates is difficult for most municipalities.

Provincial and Federal lands either already owned or owned through crown corporations could make excellent housing sites. In addition to land acquisition, examining existing land holdings for possible housing sites is suggested.

**SUGGESTION 32: That land assembly by all orders of government is supported.**

**Recommendation 16: the federal government amend the Income Tax Act to enable charitable housing providers to widen the cross-section of groups they serve beyond low-income, disabled and elderly households, allowing charities to undertake mixed-income housing developments. This amendment would enable charitable housing providers to scale their operations, expand the number of household they serve and use low-end of market-rate rents to cross-subsidize affordable units.**

**SUGGESTION 33: This recommendation of greater support for charitable housing providers is strongly supported.**

## **CALL TO ACTION 4: IMPROVING COORDINATION AMONG AND WITHIN ALL ORDERS OF GOVERNMENT**

**Recommendation 17:** to better address housing needs in Indigenous communities and support Indigenous-led housing initiatives, the federal government move forward with co-developing an urban, rural and northern housing strategy, and sufficiently fund the three distinctions-based Indigenous housing strategies.

Municipalities have a role to play in the Truth and Reconciliation process. To the extent that such housing is provided off reserve, withing municipalities, local governments should be supportive of providing improved housing opportunities for indigenous people.

**SUGGESTION 34:** This recommendation to address housing needs for indigenous communities is strongly supported.

**Recommendation 18:** historically low interest rates be used to expand debt ceilings for federal and provincial programs providing long-term, low-cost financing supporting affordable housing development. Proponent demand should guide funding limits as these programs support long-lived housing assets that will contribute to housing supply and affordability for generations. Along with expanding funding, application processes should be streamlined wherever possible to enable easier access and timely rollout;

**SUGGESTION 35:** This recommendation to increase financing support and streamlined processing is strongly supported.

**Recommendation 19:** all orders of government grant their housing program providers (including BC Housing and CMHC) greater flexibility to align affordable housing program requirements with those of other providers, enabling the delivery of quality affordable housing across the country on a greater scale, and in a timely fashion. Potential ways to improve flexibility include:

- a) Federal programs deferring to provincial building and environmental codes,
- b) Streamlined underwriting for projects funding by both BC Housing and CMHM programs,
- c) CMHC reviewing its underwriting requirements with the goal of removing unnecessary requirements and reducing application turnaround times, and
- d) CMHC granting conditional approval for projects under review for rezoning and, in some cases, actively sponsoring such applications;

Streamlining efforts are commendable. Different standards between CMHC, BC Housing and local governments can be frustrating for all participants. Given that the federal government does not have the authority to impose regulations on development and needs to work in all Provinces and Territories, it makes sense for provincial standards to be employed.



On page 34 of the Final Report, reference is made to “Stringent program requirements with competing goals”. It is stated that rigid accessibility and environmental requirements “add substantial costs to new construction and development.”

Accessibility requirements result in adaptable housing that meets the needs of the elderly or those with various degrees of ability, at any age. Such housing allows people to live more comfortably in their homes, with more dignity and may even allow them to live in their homes longer. Such designs can help avoid falls and the premature institutionalization of people. The Province has a long standing effort to keep people in their home rather than institutions. Municipalities have been leaders in responding to this need through Adaptable Design Guidelines.

The cost of providing adaptable housing is not substantial relative to other costs. It would be unfortunate for affordable housing projects to not meet the objectives of social inclusion.

Similarly, environmental requirements are essential to developing sustainable communities. As we try to contain climate change, GHG emission from buildings must be addressed. Again, it would be unfortunate for public funded buildings to not meet urgent environmental needs. The cost is not substantial.

The source of this issue lies in our multi levelled government structure in Canada. All levels of government have not aligned their policies with regards to accessibility and the environment and senior governments are used to be paramount. B.C. municipalities have often been leaders in these policy areas and usually have the most advanced requirements. Federal, Provincial and municipal policies collide when all three levels of government become involved in a publicly funded development.

The solution is not to reduce accessible and environmental standards (these should apply equally to all development), but rather to harmonize the standards.

**SUGGESTION 36: That the streamlining of projects is strongly supported.**

**SUGGESTION 37: That accessible and environmental standards be harmonized to maintain high standards and simplify the process for applicants.**

**Recommendation 20: local governments offer density bonuses to affordable housing developers that receive federal and provincial construction and redevelopment funding. These bonuses could be dependent on longer-term or deeper affordability criteria for some proportion of the units than what the construction funding program requires.**

Density bonusing is an important tool for municipalities. It makes imminent sense that affordable housing projects maximize their potential through density bonusing. It is likely that most municipalities are already supporting housing projects in this way.

**SUGGESTION 38: The use of density bonus tools to support affordable housing is strongly supported.**

## **CALL TO ACTION 5: ENSURING MORE EQUITABLE TREATMENT OF RENTERS AND HOMEOWNERS**

**Recommendation 21:** the federal and provincial governments make changes to tax programs to bring the treatment of renters and homeowners into closer alignment. This would include reviewing the impact of the capital gains tax exemption on principal residences with careful consideration of fairness and efficiency, and extending comparable support to other forms of wealth building;

A review of tax programs in support of rental housing is encouraged.

Currently municipalities have only one residential property tax category. It applies equally to strata and rental properties. If municipalities were allowed to create a separate tax category for purpose built rental buildings, those owners could be supported through a lower tax rate.

**SUGGESTION 39:** That a review of tax programs for the benefit of rental building owners and renters be pursued, including consideration of a rental building municipal tax rate.

**Recommendation 22:** in the absence of changes to the taxation of owner-occupied housing, the federal government provide tax savings measures to renters to help offset the favourable tax treatment of ownership. These tax benefits could come in the form of (but are not limited to):

- a) tax deductibility or tax credits for annual rent paid, and
- b) a renter's tax-free savings account (TFSA) contribution amount in addition to regular TFSA limits as an initial step toward greater housing tenure neutrality in the personal income tax system. The amount should be geared to matching the tax relief available to homeowners;

**SUGGESTION 40:** This recommendation to provide tax savings measures to renters is strongly supported.

**Recommendation 23:** the B.C. government phase out the Home Owner Grant. Monies saved from this should be used to fund social housing in addition to the commitments made in the 10-year plan.

This is a provincial matter that has the appearance of a municipal matter since it relates to a municipal tax. However, this is handled, it must be made clear that it would be a provincial, not municipal initiative.

**SUGGESTION 41:** None at this time.

## VII. MATTERS NOT ADRESSED IN THE EXPERT PANEL REPORT

Improving the supply and affordability of housing will require improvements to the existing development approval process. The goal should be to achieve effectiveness and efficiency. While the focus on the Expert Panel's recommendation is on supply and municipalities, others participants must also make changes, including

- Developers
- Professional consultants
- Crown ministries, agencies and corporations

Expedient approvals require competent and complete applications from applicants and their consultants. Municipalities must be able to rely on professional submissions. Crown ministries, agencies and corporations that participate in the regulatory process must perform promptly.

While the Expert Panel recommends significant changes to municipal approvals, such as pre-zoning, additional action will be required by the Province to empower municipalities to take such actions. These could be identified and packaged as part of the next phase of this discussion. The wide range of actions listed in the DAPR Phase 3 report need to be considered.

**SUGGESTION 42: That a fulsome review and update of the development approval process be undertaken to address the concerns raised in the Expert Panel Final Report and Phase 3 DAPR Report and that the process provides for significant consultation with all affected parties.**

In addition, demand is a critical aspect of the supply and demand equation. As identified in Suggestion 6, unnecessary demand must be addressed by senior levels of government in order for increased supply to have a positive effect on housing affordability. Without this, more housing is simply creating more investment opportunities for Canadian and international investors.

## VIII. CONCLUSIONS & NEXT STEPS

The Final Report of the Expert Panel has many bold recommendations for the Federal, Provincial, regional and municipal governments to consider. There are many recommendations that are strongly supported and could be acted upon swiftly by senior governments.

There are many recommendations that have significant implications for municipal governments including:

- Council decision-making processes
- Municipal finances
- Planning approvals
- Building approvals
- Municipal Infrastructure
- Information technology

Such changes will require careful consideration.

There is inherent tension in the development process. Unfortunately, there is not a solid history of all parties working together to arrive at development processes that work for everyone. Instead, a more adversarial attitude has prevailed.

Perhaps this is the time for a new approach. Perhaps all parties can come together to identify concerns and find solutions. The first three Phases of the DAPR process have been a good start. There seems to be consensus that the process requires change. The Expert Panel recommendations attempt to find some solutions with regards to housing, but more work is required.

There is a fundamental question to address before moving forward. Are we currently meeting the housing supply needs of the region, or not? On the one hand, many take the view that we are meeting the supply needs of the Metro region, based upon the demand being experienced. The premise behind this perspective is that actual growth reflects actual demand. As a result, the fact that our supply of housing lags behind the Metro 2040 estimates in most municipalities is not considered a problem.

On the other hand, many others including the Expert Panel, development industry, CMHC and others believe that the region is failing to deliver the units required and that this is, in part, fueling the housing crisis. The Expert Panel recommendation is that not only should we be meeting our housing estimates/targets, but those need to be increased by a 15% to 25% Affordability Adjustment. Such an adjustment would imply that the region may be 44% below meeting the housing required to serve the region.

These are startlingly different perspectives. It will be essential to have a full discussion of this topic in order to align policies and collectively take actions.

Other Expert Panel recommendations would make numerous changes to municipal processes. While some are supportable, others are not. We should pursue a made in B.C. solution to the housing crisis that allows municipalities to perform effectively while being more efficient. Existing impediments need to be removed. The complexity of the existing processes needs to be recognized and taken into account. A strategic package that includes municipal empowerment and municipal obligations needs to be crafted. That can only be done with municipal participation.

A next step should be a robust process with the goal of creating legislative changes to retool regional and municipal development processes. This could occur through Phase 4 of the DAPR process or another process. However it occurs, “deep consultation with stakeholders on specific proposals will be essential for success.”<sup>12</sup>

Municipalities look forward to participating in such a process.

---

Development Approvals Process Review (DAPR) Final Report from a Province-wide Stakeholder Consultation, 2019 Page 20, [https://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/local-governments/planning-land-use/dapr\\_2019\\_report.pdf](https://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/local-governments/planning-land-use/dapr_2019_report.pdf)

## IX. ATTACHMENTS

### ATTACHMENT 1

## Development Approval Process Review (DAPR) Phase 3 Report - Appendix B: List Of Opportunities

### 7 Appendix B: List of opportunities

The following tables summarize the opportunities identified throughout the process, and for each opportunity the average level of importance is shown as ranked by the Technical Committees during Phase 2. Where new ideas were added during the Phase 2 meetings, these are listed below and denoted as [Add] (for “added”), and it is noted that the importance was not ranked for these added items.

**TABLE 1. LOCAL GOVERNMENT INTERNAL PROCESS**

TOPIC	OPPORTUNITIES	IMPORTANCE
1.1 Lengthy and complicated internal staff development approvals process	1.a. Training and best practice guide to be used to optimize process	High
	1.b. Local governments to pursue way to make the internal process of development applications more effective and efficient	High
	1.c. Local governments to pursue digital permit tracking systems for use by all departments involved in approvals	Medium
	1.d. Provincial funding for local government digital permit system	High
	1.e. Provincial policy review: mandatory application timeframes to be established	Low
1.2 Incomplete and poor-quality applications	1.f. Developer training and best practices guide to improve applications. To be prepared by private sector with local government input.	High
	1.g. Local government to implement process changes to establish effective “gatekeeping” to keep poor quality applications from being received (include in local government training and best practices guide), or establish a ‘Nexus’ line for applicants with prior application and approval	High
	1.h. Create “penalty box” for applicants with history of lower quality applications that affect local government’s capacity to process other applications	Low
1.3 Differences between municipal processes / requirements	1.i. Create model development application checklists accessible by any local government	High
	1.j. Local governments to consider Development Application Procedures Bylaw / Zoning Bylaws and development permit guidelines / checklists and harmonize these with neighbouring municipalities when possible	High
1.4 Number and type of development permits	1.k. Province to review development permit provisions within the <i>Local Government Act</i> and <i>Vancouver Charter</i> and assess whether some development permit categories could be combined or eliminated	Medium
	1.l. Local government training and best practices guide for creating development permit areas / guidelines	Medium
	[Add] Name change to prevent ongoing complications of distinguishing development permits and development variance permits.	[Not ranked]
1.5 Minor vs. major amendment	1.m. Provincial policy review: <i>Local Government Act</i> definitions to define major versus minor amendments	Medium
	1.n. Local governments develop a best practice guide to clearly define what constitutes a major versus minor amendment change	High

TOPIC	OPPORTUNITIES	IMPORTANCE
1.6 Lack of funding and resources for development process	1.o. Local governments to increase staff resources as required to efficiently and effectively process the volume and complexity of applications	High
	1.p. Adjust development fees to achieve cost recovery for critical staff positions	Medium
	[Add] Conduct a study or pilot project to establish resourcing benchmarks – this can provide context during budgeting.	[Not ranked]
	[Add] Develop a best practice guide to host conversation with development community to find a balance between improved processing times and increased application and permit fees.	
	[Add] Senior government employment program to fund professional positions in underserved regions, particularly in smaller communities.	
1.7 Lack of enforcement tools	1.q. Provincial review of enforcement tools for development permits, including withholding occupancy	Low
	1.r. Local government practices and policies to maximize enforceability, for example: <ul style="list-style-type: none"> <li>➤ Adopt development permits as part of the zoning bylaw for stronger court support</li> <li>➤ Review and update securities and requirements</li> </ul>	Low
	1.s. Applicant best practice to use coordinating professional to ensure all development permit guidelines are met by end of project	Medium
	1.t. Legislative change to allow servicing requirements to be applied to strata properties	Low
1.8 Servicing requirements	1.u. Province to consider legislative change to allow a risk-based approach to liability	Low
	1.v. Local government best practice: set minimum liability insurance requirements for professionals	High
1.9 Joint and several liability	1.w. Province to work with the Building Officials' Association of B.C. to consider extending the certification requirement deadline; consider lowering the passing grade to under 80%; and consider reducing the requirement for Part 9 buildings to Level 2	Medium
	1.x. Shift responsibility for BC Building Code compliance to the Province	Low
	1.y. Province and local governments to work with the Building Officials' Association of B.C. to provide more opportunities for building official training, promote careers in the field, encourage transfers from related positions, allow local governments to train in-house	High
	1.z. Local governments to pursue building official retention and recruitment by creating a positive, healthy work environment, improve compensation package, consider sharing a pool of workers within a region (suggest testing with a pilot project)	High
	1.aa. Province to consider mandatory building inspections, even in more remote areas, or establish a minimum density where mandatory	Medium
1.10 Shortage of building officials	1.w. Province to work with the Building Officials' Association of B.C. to consider extending the certification requirement deadline; consider lowering the passing grade to under 80%; and consider reducing the requirement for Part 9 buildings to Level 2	Medium
	1.x. Shift responsibility for BC Building Code compliance to the Province	Low
	1.y. Province and local governments to work with the Building Officials' Association of B.C. to provide more opportunities for building official training, promote careers in the field, encourage transfers from related positions, allow local governments to train in-house	High
	1.z. Local governments to pursue building official retention and recruitment by creating a positive, healthy work environment, improve compensation package, consider sharing a pool of workers within a region (suggest testing with a pilot project)	High
	1.aa. Province to consider mandatory building inspections, even in more remote areas, or establish a minimum density where mandatory	Medium

**TABLE 2-A. DELEGATION OF AUTHORITY**

TOPIC	OPPORTUNITIES	IMPORTANCE
<b>2.3</b> Staff delegation and development permits	2.f. Provincial policy review of opportunities to increase councils' and boards' ability to delegate individual development approvals, including reframing legislation to make delegation the default with opt-in option for elected official review	High
	2.g. Local government training and best practices guide to provide robust public process for official community plans and pre-zonings, then delegate staff approval of subsequent applications	Medium
	[Add] Enable conditional / discretionary zoning for all local governments, as is currently allowed in Vancouver.	[Not ranked]
	[Add] Review whether development variance permits can be delegated or otherwise give minor variance approval to staff.	

**TABLE 2-B. PUBLIC INPUT**

TOPIC	OPPORTUNITIES	IMPORTANCE
<b>2.1</b> Legal requirements of approval process	2.a. Provincial policy review of what is required in terms of the obligation for duty to consult	Medium
<b>2.2</b> Public hearings	2.b. Provincial review of public hearings and consideration of alternative options for more meaningful, earlier public input and in different formats	High
	2.c. Local government training and best practices guide on when and how to hold public hearings	Medium
	2.d. Applicant best practices on participating at public hearings	Medium
	2.e. Provincial and local government review of bylaw adoption requirements to replace newspaper advertising requirements with more modern methods and reduce number of bylaw readings (from current four readings)	High
	2.h. Provincial policy review of official community plans with respect to development approvals - adoption process, update requirements, recommended levels of detail, streamlined process for minor amendments	High
<b>2.3</b> OCP amendments and housing targets	2.i. Provincial funding for official community plan updates	High
	2.j. Local government best practices for writing, adopting, amending official community plans	Med/High
	2.k. Provincial policy review to consider tying development approvals to housing targets	High
	2.l. Provincial policy review of application referrals to outside groups and best practices education for elected officials and community associations on their roles	Medium
<b>2.4</b> Applicant referrals and advisory design panels	2.m. Local government policy review of advisory bodies including best practices for membership, mandate and procedures for design panels	Medium
	[Add] Board of Variance training	[Not ranked]



**TABLE 3. LOCAL GOVERNMENT FEES AND REQUIREMENTS**

	<b>TOPIC</b>	<b>OPPORTUNITIES</b>	<b>IMPORTANCE</b>
<b>3.1</b>	Role of development cost charges and community amenity contributions	3.a. Provincial comprehensive policy review of both development cost charges and community amenity contributions to determine options for infrastructure and community amenities to be funded, in part, through development	High
		3.b. Provincial consideration of more reliable funding from senior government for municipal infrastructure to reduce dependency on development cost charges and community amenity contributions	High
		3.c. Pending more funding, local government best practice for the use of development cost charges and community amenity contributions including method of calculation (lift or fixed), early notice to owners/developers, fairness, in-stream protection	High
		[Add] Create a “DCC guidebook” and a consistent training program across the province	[Not ranked]
<b>3.2</b>	Onerous local government requirements	3.d. Internal training on maintaining balance on requirements imposed through the development approval process	High
<b>3.3</b>	Letters of credit	3.e. Provincial policy review of letters of credit to require partial release that specifies parameters and timelines; if deficiencies not identified by the local government in specified time, then money required to be released	Low
		3.f. Local government best practice to address letters of credit in a timely manner and accept letters of indemnity from secure non-profit groups (e.g., BC Housing)	Medium
<b>3.4</b>	Social housing	3.g. Local government best practices to address social objectives in development cost charges and community amenity contributions including recognizing social benefits (affordable/ special needs housing) as community amenities	High

**TABLE 4. SUBDIVISION**

	<b>TOPIC</b>	<b>OPPORTUNITIES</b>	<b>IMPORTANCE</b>
<b>4.1</b>	Complex subdivision process	4.a. It was suggested that the Ministry of Transportation and Infrastructure give regional districts Approving Officer status to expedite process. Where appropriate resources/funding available or provided by Province, this could be on a pilot project basis	Medium
		4.b. Participants suggested the Ministry of Transportation and Infrastructure evaluate rolling the subdivision process into the local government process and remove from provincial jurisdiction	Low
		4.h. Participants suggested the Ministry of Transportation and Infrastructure provide small municipalities the option to opt-out of having an Approving Officer on staff	Low
<b>4.2</b>	Approving Officer	4.c. It was suggested that the Ministry of Transportation and Infrastructure: <ul style="list-style-type: none"> <li>➤ Develop enhanced communication materials about subdivision processes that can be understood by elected officials and the public.</li> <li>➤ Prepare plain language guidance and checklists to explain the process.</li> <li>➤ Provide more training for Approving Officers and bring training to various parts of the province.</li> </ul>	High
<b>4.3</b>	Preliminary Layout Reviews or Approvals	4.d. Provide for Preliminary Layout Approval review in legislation	Low
		4.e. Develop model Preliminary Layout Approval review letters that give early direction and help avoid unexpected impacts on developer later in process	High
<b>4.4</b>	Cash-in-lieu for off-site works	4.i. Provincial policy review and establish best practices for cash-in-lieu for off-site works	Medium
		4.f. Develop remedy for orphaned bank accounts (e.g. allow cash to be re-allocated to related purposes). Review policies and practices to ensure problem is avoided in future.	High
<b>4.5</b>	Parkland dedications	4.g. Review parkland dedication legislation to consider allowing the cash to be used for park improvements and allowing segmented underused parkland to be sold with proceeds to other park acquisition or improvements. Policy should be accompanied by best practice guidance.	High

**TABLE 5. PROPONENTS AND PROFESSIONALS**

	<b>TOPIC</b>	<b>OPPORTUNITIES</b>	<b>IMPORTANCE</b>
<b>5.1</b>	Professional competency	5.a. Provincial and professional associations' policy review to consider increased oversight of qualified professionals from professional associations to audit quality of work. Association action would be required to deal with professional that are not competent in their duties	Medium
		5.b. Define clear path for local governments to pursue with professional associations or the Province if professionals do not meet standards	Medium
		5.c. Extend qualified professionals' liability insurance requirements to ensure municipal reliance (minimum time limit requirements)	Medium
		[Add] Require professional credentials be included with rezoning submissions	[Not ranked]
<b>5.2</b>	Shortage of qualified professionals	5.d. Local governments could consider adjusting credential requirements to enable broader types of qualified professionals [the <i>Building Act</i> – Building Code Legislation, Part 9, rather than Part 3 buildings]	Low
		5.e. Local government best practices to consider developing and maintaining list of qualified professionals and where there is a shortage of qualified professionals, increase staff reviews (e.g. energy advisor on staff)	Low
		5. h. Provincially review capacity and identify "hard to recruit" areas for qualified professionals needed in development and use this to inform programs	Medium
		[Add] Allow Alberta registered professionals to work in the North	[Not ranked]
<b>5.3</b>	Role of Registered Planners	5.f. Provincial and Professional Associations policy review to consider if Registered Professional Planners should be granted professional status(e.g. like Professional Engineers)	Low
<b>5.4</b>	Major projects	5.g. Create a submission manual for major projects for professionals involved in preparing development applications – e.g. LNG development	Low
		[Add] Professional bodies could allow complaints / challenges to be filed by local governments (not just by a member)	[Not ranked]
		[Add] Increase the number of qualified persons in the field for environmental professionals (i.e. by the Ministry of Forests, Lands, Natural Resource Operations and Rural Development with respect to <i>Riparian Area Regulation</i> )	[Not ranked]

**TABLE 6. PROVINCIAL REGULATIONS AND REFERRAL PROCESS**

TOPIC	OPPORTUNITIES	IMPORTANCE
<b>6.1</b> Communication of new provincial policies and regulations	6.a. MAH to provide guidance to other provincial ministries on best practices and/or consistent forums for communication and engagement with local governments on potential new or changes to policy and regulation that affect development approvals processes	High
<b>6.2</b> Referrals to the Ministry of Transportation and Infrastructure	6.b. Review referral process and specifically consider the following: <ul style="list-style-type: none"> <li>➤ For highway access properties, establish a formalized early greenlight process that doesn't require full application completion prior to provincial feedback or even approval;</li> <li>➤ For properties without direct highway access, remove the TRAN from process where application aligns with "ministry stamped" local plan and/or reduce the 800m rule. This may necessitate having the TRAN formally participate in neighbourhood plans / area structure plans by being required to comment</li> </ul>	High
<b>6.3</b> High cost for first developer	6.c. TRAN to review the use of latecomer fees to distribute the costs across multiple properties	High
<b>6.4</b> Contaminated Sites Regulation	6.d. Ministry of Environment and Climate Change Strategy: <ul style="list-style-type: none"> <li>➤ provide expanded training or resources for local government staff to help educate the public and applicants; and</li> <li>➤ establish a policy enabling concurrent processing of local government applications while contamination concerns are being resolved (up to but not including approval)</li> </ul>	High
<b>6.5</b> <i>Riparian Area Regulation</i>	6.e. Ministry of Forests, Lands, Natural Resource Operations and Rural Development conduct a comprehensive review of both policy and legislation related to Riparian Areas	Medium
<b>6.6</b> Changes to Building Code	6.f. Ministry of Municipal Affairs and Housing: Review policy for building code changes, including opportunities to provide in-stream protection, potential to provide earlier notice of upcoming changes and increased education to accompany changes. To support innovation, the Building and Safety Standards Branch could review opportunities to enable faster local government approval of innovative alternative solutions	High
<b>6.7</b> BC Hydro engaging late	6.g. Applicants to include early engagement with BC Hydro / utilities to avoid delays as a best practice  [Add] Participants suggested the Province would be best positioned to communicate these challenges to BC Hydro  [Add] Province could consider requiring BC Hydro to engage earlier and provide early assessment of requirements. This will increase feedback from BC Hydro to applicants in a timely manner.	High  [Not ranked]

**TABLE 7. OVERARCHING TOPICS**

7.1	TOPIC	OPPORTUNITIES	IMPORTANCE
	Lack of training on development approval process	7.a. Develop province-wide training program: <ul style="list-style-type: none"> <li>➤ Provide training on the development approval process for all participants involved in development applications and approvals (council members, planners, engineers, Approving Officers, fire prevention, Ministry of Transportation and Infrastructure, Ministry of Environment and Climate Change Strategy, health authorities, developers, etc.)</li> <li>➤ Increased education for realtors on due diligence e.g., communicating development potential of adjacent sites</li> </ul>	High
7.2	Examples of the development approvals process in other jurisdictions	7.b. Review other jurisdictions such as Ontario, Alberta, Washington State and California to determine how they enable and obligate local governments, delegate authority to staff, implement provincial or state regulations, prompt efficiency and effectiveness at all levels of approval	Medium/High
7.3	Lack of access to and awareness of materials	7.c. Create development approvals portal (similar to the BC Energy Step Code portal)  [Add] Present findings from this project at Union of British Columbia Municipalities and tailor findings to the impact on larger and smaller communities. Provide an update to regional planning committees (i.e. Metro Vancouver Regional Planning Advisory Committee).	High  [Not ranked]

**ATTACHMENT 2**

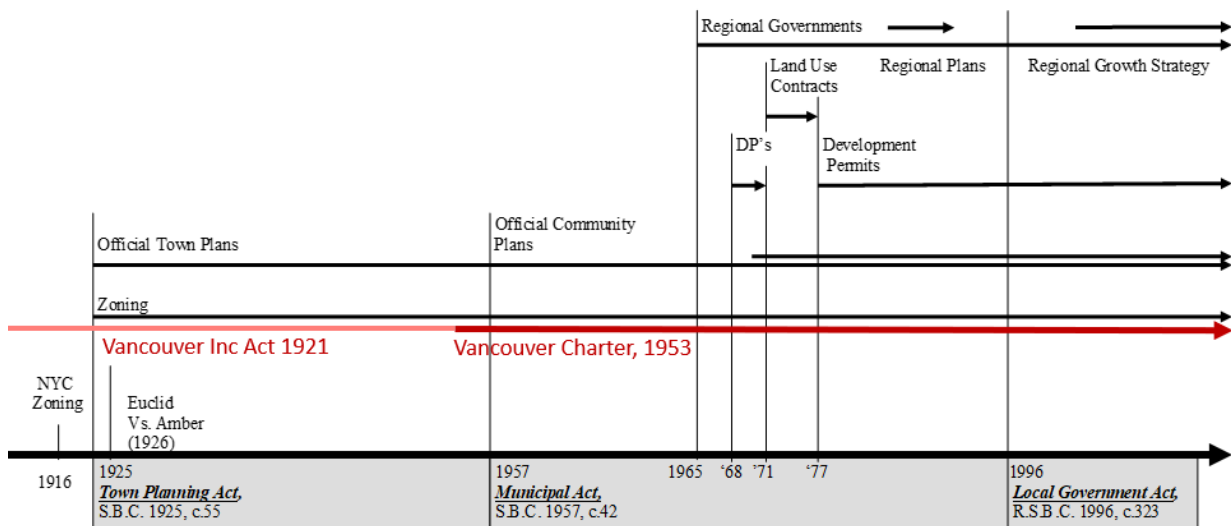
**Evolution of Land Use Controls in British Columbia**

The evolution of land use controls in B.C. is summarized in the table below. Prior to New York’s invention of zoning regulations in 1916, municipalities did not have significant land use controls. Zoning was quickly introduced in cities throughout North America. Zoning and Official Town Plans were introduced in British Columbia with the Town Planning Act in 1925. At that time, Official Town Plans were of limited scope. More modern Official Community Plans, as well as other changes, came into effect with the 1957 Municipal Act. More modern Official Community Plans, as well as other changes, came into effect with the 1957 Municipal Act.

As the province grew new issues and needs emerged. The Provincial Government responded in the 1960’s with the creation of regional districts and new municipal planning tools. This included the 1968 introduction of Development Permits which had quite rigorous design controls. There was a negative reaction to this level of control. Developers soon requested a more flexible tool that would require negotiation with the developer. In 1971, Development Permits were removed and replaced by Land Use Contracts. Land Use Contracts raised new concerns and were also opposed. These were rather quickly replaced in 1977 by a weaker form of Development Permits with less design control. Similar Development Permit controls, with refinements over the years, remain in place today.

Regional land use planning was initially provided for with strong regional authority over municipal Official Community Plans and Zoning Bylaws. Following complaints from developers and some municipalities, regional planning land use authority was removed altogether in the 1980’s. It was subsequently reintroduced, but with less authority.

**Planning Legislation Summary Timeline**



The City of Vancouver has always functioned with unique authority through a municipal charter. It has broader powers to delegate decision-making to staff, use discretionary zoning, and create regulations including stronger Development Permit controls. The rationale for Vancouver needing and having the capacity to handle additional authority was likely more obvious in the first half of the 20<sup>th</sup> Century than it is today.

Over the past 30 years, the need for development to address social, economic and environmental issues has become apparent to senior governments and municipalities. The Province responded with either incremental changes to the LGA or other legislation/regulations. Municipalities have responded with their own regulations, particularly when senior governments have not taken action.

The introduction of Riparian Area regulations to protect fish habitat is an example of a federal/provincial concern being delegated to municipalities in B.C. Whereas this issue was once a negligible part of municipal approvals, it is now a major element. There are a number of other examples of regulations being delegated to municipalities. When municipalities implement policy on behalf of the province, they are provided with tools to work with. While those tools are sometimes clumsy and awkward to work with, the legislative authority exists.

Requirements have also been added to the development process by municipalities at their own initiative. Often in the absence of adequate senior government action, municipalities have created policies and regulations to address affordable housing, GHG emissions, green building standards, adaptable/inclusive housing, stormwater management, safety, active and healthy living, etc. Many B.C. cities are considered leaders in climate mitigation, climate adaptation, social inclusiveness, healthy communities and more. The results have had local, regional, provincial and national benefits.

While the Community Charter [SBC 2003] made a number of changes to municipal authority, it did not alter development controls which remained in the Local Government Act.

## ATTACHMENT 3

## Metro 2050 Regional Growth Strategy (Draft) excerpt

TABLE 1. REGIONAL AND SUB-REGIONAL PROJECTIONS BY DECADE TO 2050

POPULATION						
		2016	2020	2030	2040	2050
SUB-REGIONS	<b>Metro Vancouver Total</b>	<b>2,593,200</b>	<b>2,767,000</b>	<b>3,206,100</b>	<b>3,564,100</b>	<b>3,836,800</b>
	Burrard Peninsula	1,014,800	1,064,900	1,206,000	1,311,900	1,387,800
	North Shore	199,700	207,700	236,500	254,200	271,200
	South of Fraser – East	713,300	782,500	939,200	1,077,300	1,185,100
	South of Fraser – West	314,500	337,900	381,100	414,100	441,300
	North East	105,500	110,800	127,200	142,800	155,000
	Tri-Cities	245,300	263,100	316,100	363,800	396,500
DWELLING UNITS						
		2016	2020	2030	2040	2050
SUB-REGIONS	<b>Metro Vancouver Total</b>	<b>1,000,500</b>	<b>1,075,500</b>	<b>1,287,700</b>	<b>1,460,500</b>	<b>1,589,400</b>
	Burrard Peninsula	435,900	462,900	533,200	584,600	623,400
	North Shore	79,600	83,600	100,600	111,900	122,000
	South of Fraser – East	242,700	266,900	332,300	395,200	441,000
	South of Fraser – West	113,500	123,100	146,700	163,400	175,400
	North East	38,800	42,200	50,000	56,800	61,900
	Tri-Cities	90,000	96,800	124,800	148,600	165,700



Attachment 3  
*Opening Doors Workshop Agenda*

## **Attachment 3 – Housing Supply & Affordability Workshop Agenda**

- |  |                               |
|--|-------------------------------|
| <b>A. Introduction &amp; Housing Crisis Overview</b> | Emilie K. Adin<br>Gary Penway |
| <b>B. Expert Panel &amp; DAPR Report Overviews</b>   | Gary Penway                   |
| <b>C. New Westminster Recommendations</b>            |                               |
| • Workshop to generate “Made in New West” package    | Emilie K. Adin                |
| <b>D. Conclusion &amp; Next Steps</b>                |                               |

Attachment 4  
*Draft Letter to the Province Conveying  
Discussion Paper*

## **Attachment 4 – Draft Letter to the Province Conveying Discussion Paper**

December \_\_, 2021

Honourable Selina Robinson  
Minister of Finance  
PO Box 9048 Stn Prov Govt  
Victoria, BC V8W 9E2

Honourable David Eby  
Office of the Attorney General and Minister for Housing  
PO Box 9044 Stn Prov Govt  
Victoria, BC V8W 9E2

Honourable Josie Osborne  
Minister of Municipal Affairs  
PO Box 9056 Stn Prov Govt  
Victoria, BC V8W 9E2

### **RE: A Municipal Perspective on Opening Doors: Unlocking supply for housing affordability**

Dear Ministers Robinson, Eby and Osborne,

The City of New Westminster appreciates the focus of senior levels of government on the housing crisis facing our province. We share your deep concern about the impact this crisis is having on the quality of life of British Columbians, especially in the Metro Vancouver region. We are committed to working together across all levels of government to address housing affordability, including considering new ways of doing business.

When the Expert Panel on Housing Affordability released its final report this past summer, we reviewed it with interest. We found the report to be extremely timely, and many of the recommendations supportable. However, we also have some concerns about the underlying assumptions of the report, the process of the review, and potential implications of some of the recommendations put forward. We have questions around the anticipated next steps by senior levels of government, particularly the Province as it relates to our planning and development functions.

To help us more thoroughly review and respond to the report, we worked with a consultant to evaluate it and develop a municipal perspective. We find it regrettable that local governments were not actively involved in the review process, as so many of the recommendations would significantly impact our development review processes and planning frameworks. Local governments are key players in the development process, and as is the case in many other municipalities, the City of New Westminster is continuously seeking to find new ways to support housing affordability and improve

development review processes. We have taken bold steps to protect renters and rental housing, address the need for family friendly housing, and try out pre-zoning for high density, for example. Through these initiatives and others, we have learned what works in our context. Having local governments at the table could have led to more implementable and nuanced recommendations.

We wish to share the enclosed discussion paper with you in an attempt to fill part of the gap in municipal perspective, and also as a request to ensure that implementation of recommendations from the Expert Panel report includes significant local government involvement. We also respectfully request that the recommendations of the Expert Panel be considered as input into a robust implementation phase of the Development Approvals Process Review; we look forward to communication from the Province about this next step.

Again, we are very encouraged by senior government actions to address housing affordability. We see senior government support for non-market and rental housing as critical to the health of our community, and we appreciate the efforts of the Province to make housing a home rather than an investment. We are also keen to improve our development review processes and explore innovative new tools for achieving housing affordability and diversity. We look forward to being engaged as partners in this work.

Respectfully,

Mayor Jonathan Coté

cc. New Westminster City Council  
Lisa Spitale, Chief Administrative Officer  
Emilie K. Adin, Director of Climate Action, Planning and Development