

## Memorandum

To: Lisa Spitale,  
Chief Administrative Officer

Date: November 20, 2023

From: Jackie Teed, Director  
Climate Action, Planning and  
Development

File: 2396243

Subject: 2024 Budget – A Housing Division to Expedite Housing Permits and Units

### **PURPOSE**

The purpose of this report is to seek Council's approval to proceed with next steps to create the staff positions needed to achieve both the Council Strategic Priority Plan focus area: Homes and Housing Options, and the newly legislated provincial requirements related to planning for, approving, and servicing housing.

### **BACKGROUND**

#### **A Recognized Leader in Housing**

New Westminster is a recognized leader in housing policy and tenant protections. We have a 100% approvals rate for affordable housing applications brought before Council, and have been exceeding our overall housing targets. Past work prioritizing housing includes: Secured Market Rental Housing Policy, Crisis Response Bylaw, Renovictions Regulations, Inclusionary Zoning Policy. Despite this leading work, the City is struggling to get the affordable, supportive/ transitional and shelter units our community needs.

#### **Senior Government Alignment**

Council's Strategic Plan is consistent with the National Housing Strategy (2017), and Provincial Homes for People Action Plan (2023), in prioritizing the need to create more homes faster that meet people's needs. The Province has been signaling for some time their intent to implement this through legislative changes to how municipalities plan for, approve, and service new housing, and as of November 1, 2023 has started making announcements that will impact New Westminster. The senior governments have also been announcing related funding opportunities, which the City is monitoring.

#### **Mandated Housing Targets**

In 2022 Council approved the City's first Housing Needs Report. The Report, which is a provincially legislated requirement, identifies the City's housing unit needs across the full



## NEW WESTMINSTER

housing spectrum. The [2021/2022 Housing Needs Update Report](#) outlines these targets, and the progress the City has made to date.

### CONTEXT

#### Ongoing Legislative Changes

Provincial announcements to date regarding changes in legislated requirements for housing are summarized in Attachment 1 to this memo. The changes have significant implications for the department work plan and staffing, as they:

- Are legislated, i.e. the City must carry the work out within the required timelines, and on an ongoing basis. Time extensions may be approved; however, changes can be implemented by a ministerial order if timelines are not maintained.
- Are extensive, touching on the full scope of the City's mandate as relates to housing, including how the City plans for, regulates, approves, services, and provides amenities for new residential development, and how the City incentivizes heritage revitalization projects.
- Include immediate and ongoing requirements, such as more frequent updates of the Zoning Bylaw, and Official Community Plans (the City has three distinct OCPs).
- Will require complex new studies to be undertaken, such as a 20-year vs. 10-year housing outlook; broader infrastructure strategic planning and analysis to inform new development cost charge bylaws; and extensive analysis and business case work to create new amenity cost charge bylaws that will replace negotiated voluntary amenity contributions to fund the other services and amenities needed by a growing community.
- Place a greater focus on policy planning and process requirements, whereas the City has historically focused staffing and resources on housing approvals to maximize the amount of units being created for development, and on responding to crises such as the City's pandemic response. This means there is a significant amount of "catch up" policy and process work to be undertaken in addition to the newly legislated work, with limited current resources to carry out either the near or long-term/ongoing work.

#### ALIGNMENT WITH THE STRATEGIC PLAN

On May 8, 2023 Council endorsed the 2023-2026 Strategic Priorities Plan which guides the City's work and activities through 2026. The Strategic Plan focuses on five areas that reflect the most important issues identified by the New Westminster community, one of which is: Homes and Housing Options – Clear the way for all types of homes needed today and tomorrow, prioritizing homes for those with the greatest need.

The Climate Action, Planning and Development Department is the primary lead for the Homes and Housing Options work. The new Strategic Plan is an opportunity to evaluate the Department's functions to ensure appropriate alignment of our structure and workplan to effectively and efficiently advance the priority and enhance service delivery. This is particularly necessary at this time given the extensive legislative changes being announced



by the Province to facilitate getting more housing built faster, which have broad implications for the way the City carries out this work in the near and long term.

Given the strong focus of the department on implementing the Homes and Housing Options priority, and the new legislative requirements for the City to immediately and continually update housing regulations, policies and approvals processes, the following is being implemented: (1) create a new Housing Division (underway); (2) relocate Climate Action to better meet Strategic Plan (underway); (3) create a new Crises Response Team pilot (underway); (4) reassess function and structure of Integrated Services (pending).

## **FINANCIAL IMPLICATIONS**

### **Required Staff Resources**

#### Departmental Evaluation and Reallocation

Toward better aligning the work of the department with Council's Strategic Plan and the anticipated legislative changes to housing work, existing functions and vacancies were evaluated against ongoing operational need and efficiency of service delivery, and changes and reallocations made where strategic and operationally feasible, including the following to date:

- Eliminating building permit backlog for single detached dwellings, and decreasing issuance timelines from 31 weeks to 12 weeks by continuing to advance digital permitting, removing redundant steps, synchronizing reviews, investing in better digital tools, and implementing online fee payments.
- Restructuring public-facing positions providing planning and building approvals, and providing related training, to enable these positions to be delegated work at a higher level of complexity formerly done by more senior positions.
- Refocusing staff resources to support contemporary work of department by evaluating vacancies and adjusting postings and/or reallocating positions based on operational needs.
- Pausing work unrelated to housing and reallocating related staff to housing files.
- Identifying opportunities to use contracts and consultants for some work, freeing up experienced City staff to focus on higher priority housing files.
- Retaining experienced and organizationally-knowledgeable staff by promoting from within at all levels, including bargaining and exempt positions, which supports recruitment/retention, and keeps the value of City-provided training and experience within the organization.
- Launching the Housing Division using temporary secondments of a number of existing staff until operational needs could be tested against provincially-legislated requirements, and considered through the 2024 budget process.



Staff Resources Required to Expedite Housing Permits and Units

Given the need to meet the mandated Housing Needs Report housing unit targets, and the scope of work required to implement the near-term and ongoing requirements set out in the provincial legislation, the City requires a new Housing Division, as well as resources related to long range housing planning (e.g. OCPs, neighbourhood plans), vulnerable population housing, development and construction approvals. These staff are required above-and-beyond the efficiencies noted above, to enable the legislated work of the Housing Division, and to meet the mandated Housing Needs Report housing unit targets, and are included in the 2024 operating budget:

2024	2025
<b>Housing Division</b>	
Senior Housing Planner (P2) – 1 RFT (\$105K/year)	Housing Analyst – 1 RFT converted from exiting 1 TFT (\$82K/year)
Two (2) RFT Housing Planners (P1) – 2 RFT (\$97K/year/each; \$194/year/total)	--
<b>Long Range Housing Planning</b>	
Supervisor, Land Use Planning (P3) – 1 RFT required supervisory backfill due to converting current Supervisor role to Housing Manager (\$119K/year)	Land Use Planner (P1) – 1 RFT (\$97K/ year)
<b>Vulnerable Population Housing</b>	
Senior Social Planner (P2) – 1 RFT supervisory backfill due to converting current Supervisor role to Social Planning Manager (\$105K/year)	--
<b>Housing Unit Approvals</b>	
Reclassification of City inspectors to align with BOABC requirements (\$152K/year)	Development Planner (level tbd) – 1 RFT (\$105K/year)
Backflow Plumbing Inspector – 1 RFT converted from existing TFT (\$89K/year)	Building Housing Analyst – 1 RFT (\$82K/year)
Building Clerk 3 – 1 RFT converted from auxiliary (\$61K/year)	Affordable Housing Building Project Lead – 1 RFT converted from existing 1 TFT position (\$107K/year)
Zoning Plan Reviewer – 1 RFT converted from auxiliary (\$35K/year)	--
Master Plan Development Planner (P3) – 1 TFT/Contract (\$150k/year)	--



<b>Interdepartmental Staff Supporting Housing Work</b>	
Project Engineer (utilities & land development) – 1 RFT (\$127K/year)	Project Engineer (focus tbd Engineering/Electrical) – 1 RFT (\$127K/year)
Transportation Planner – 1 RFT (\$108K/year)	--
Human Resources Business Partner – 1 RFT (\$131K/year)	--
Human Resources Assistant – 1 RFT converted from exiting 1 TFT position (\$67K/year)	--

Projected 2024 budget: \$1,443,000 plus benefits and general operational expenses. Projected additional annual budget in 2025: \$600,000 plus benefits and general operational expenses. (Based on the 2021 collective agreement).

**Funding**

The City will explore all available avenues to offset the costs of the new division, and related enhancement requests and project costs. This could include federal funding, such as the CMHC Housing Accelerator Fund, and provincial funding, such as a second intake of the Local Government Development Approvals Program which will distribute a total of \$10M to support digitization projects.

The Province has also announced \$51M to support implementation of their recent legislation, which is anticipated to be allocated to municipalities based on population and context in early 2024; based on the population of New Westminster this is estimated in the order of \$710K. A number of the enhancements are fully offset by increases in expected fees revenue in 2024.

Staff recommends that Council direct all funds from these sources to offset the ongoing operating costs of the enhancements outlined in this memo. These sources will likely be finite, potentially carrying the City forward for a number of years. A long-term funding strategy should be considered and put in place prior to the completion of this funding.

**Next Steps**

Staff is currently reviewing the implications of the new provincial legislation, and will present a workshop to Council in early 2024 outlining these implications, and a workplan to undertake the broad scope of work required for implementation.



**ATTACHMENT 1: SUMMARY OF PROVINCIAL LEGISLATED CHANGES TO DATE**

November 8, 2023: Requirement to designate Transit Oriented Development Areas within 800m of a rapid transit station, where the following will be required:

- **Designate TODs at all SkyTrain Stations:** Update OCPs to designate TOD areas at all five SkyTrain Stations. **Required completion: June 2024.**
- **Meet New Provincial Height and Density Standards:** In all TODs, permit housing up to minimum 20 storeys/5 FSR within 200m; 12 storeys/4 FSR within 400m; and 8 storeys/3 FSR within 800m.
- **Prohibition of Parking Requirements.** For all development within TODs.
- <https://news.gov.bc.ca/releases/2023HOUS0063-001748>

November 7, 2023: Amenity contribution regulations announced. No timelines announced to date.

- **Extension of DCC.** Development cost charge legislation will be expanded beyond drainage, water, sewer, roads to include: fire protection facilities, police facilities, solid waste facilities, portion of provincial highway projects required to access new housing. No mention of parks, recreation, libraries, child care, electrical, etc.
- **New ACC Authority.** A new amenity cost charge will be created to include: community/youth/senior's centre, recreation/athletic facilities, library, day care, and public square. **Anticipated required completion: June 2024, with ongoing annual updates.**
- <https://news.gov.bc.ca/releases/2023HOUS0063-001737>

November 1, 2023: Multiple new regulations announced, with short timelines/ongoing requirements. Legislation will include opportunity to apply for a time extension; however, changes can be implemented by a ministerial order.

- **Infill Housing.** Updating Zoning Bylaw to permit up to six dwelling units (depending on site size and transit access) in all single family and duplex zones (Small-scale Multi-unit Housing). **Required completion: June 2024.**
- **Prohibition of Parking Requirements.** For infill in proximity to frequent transit, which would likely affect all properties in New Westminster.
- **Housing Needs Report.** Update to a 20-year horizon (currently 10-year). **Required completion: December 2024.**

- **Update City's Three OCPs.** To accommodate growth forecasted in Housing Report, and addressing wider range of housing policy. **Required completion: December 2025.**
- **Pre-zone the City.** Requirement to pre-zone land to meet their housing needs and reduce the use of current rezoning processes. **Required completion: December 2025.**
- **Ongoing OCP Updates.** NEW legislated requirement to update OCPs, with public engagement, every 5 years in alignment with updates of Housing Report. **Ongoing: three OCPs, every 5 years.**
- **Public Hearing Prohibition.** For rezonings with min. 50% residential floor area which are consistent with OCP.
- <https://news.gov.bc.ca/releases/2023PREM0062-001706>

October 16, 2023: Phased project to reduce short term rentals, focusing on strengthened regulatory and enforcement tools for municipalities. The City monitors short term rentals in New Westminster, which are limited in number at this time.

<https://news.gov.bc.ca/releases/2023HOUS0060-001598>

October 10, 2023: Province partnering with selected municipalities to develop digital permitting tool by March 2024, which will then be expanded to other communities.

<https://news.gov.bc.ca/releases/2023HOUS0132-001568>;

<https://news.gov.bc.ca/releases/2023HOUS0019-000496>

September 26, 2023: Housing targets announced for first ten municipalities. New Westminster is not included in this cohort, though the City is included in the long list of municipalities for which the Province is considering setting targets.

<https://news.gov.bc.ca/releases/2023HOUS0123-001505>;

<https://news.gov.bc.ca/releases/2023HOUS0059-000851>

September 18, 2023: Announces project to streamline Provincial permit approvals, which are not applicable to New Westminster. Announces future legislation to make secondary suites permitted throughout the province, which is already in place in New Westminster.

<https://news.gov.bc.ca/releases/2023HOUS0058-001472>;

<https://news.gov.bc.ca/releases/2023WLRS0003-000033>

April 3, 2023: Province releases Homes for People Action Plan.

<https://news.gov.bc.ca/releases/2023HOUS0019-000436>

November 21, 2022: Removal of strata rental and age restrictions.

<https://news.gov.bc.ca/releases/2022PREM0065-001745>



## NEW WESTMINSTER

As of April 2022, the Province has required municipalities to approve a Housing Needs Report, to be updated every 5 years. The Report is to identify community housing needs and gaps, both existing and projected, across the spectrum. It is to inform updated to official community plans. <https://www2.gov.bc.ca/gov/content/housing-tenancy/local-governments-and-housing/policy-and-planning-tools-for-housing/housing-needs-reports?bcgovtm=may5#:~:text=Municipalities%20and%20regional%20districts%20in,needs%20in%20communities%20throughout%20B.C>

September 1, 2021: Announces successful applicants to Local Government Development Approvals Program which provided grants for housing approvals streamlining. New Westminster's Development Application Process Review project application was not selected. <https://news.gov.bc.ca/releases/2021MUNI0046-001721>