

Attachment 11

Budget 2025 Themed Memo - Housing



Memorandum

To: Lisa Spitale,
Chief Administrative Officer

Date: November 25, 2025

From: Jackie Teed, Director
Planning and Development

File: 2604924

Subject: 2025 Budget – Implementing Housing Legislation and Expediting Unit Approvals

PURPOSE

The purpose of this memo is to: 1) provide an update on work advancing both the Council Strategic Priority Plan focus area: Homes and Housing Options, and implementing the new provincial housing; and, 2) provide background related to additional required resources requested as part of the City's 2025 budget.

BACKGROUND

New Westminister's Focus on Housing

New Westminister has had a long-standing focus on advancing housing policy and tenant protections. We have a 100% approvals rate for affordable housing applications brought before Council, and had been exceeding the overall housing targets set by Council based on the City's 2022 Housing Needs Report. Past work prioritizing housing includes: Secured Market Rental Housing Policy, Crisis Response Bylaw, Renovictions Regulations, Inclusionary Zoning Policy, Family Friendly Housing Regulations and Policy. Despite this proactive work, the City has and continues to struggle to get the affordable, supportive/ transitional and shelter units the community needs.

Senior Government Alignment

Council's Strategic Priorities 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. In fall 2023 the Province passed Bill 44, the Housing Statues (Residential Development) Amendment Act (small-scale multi-unit housing, Housing Needs Reports, OCP/zoning bylaw update requirements); Bill 46 Housing Statues (Development Financing) Amendment Act; Bill 47 Housing Statues (Transit-Oriented Areas) Amendment Act; and in early 2024, Bill 16 (inclusionary zoning, density bonus, tenant protection). In summer 2024 the Province issued a Housing Target Order for New



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Westminster, as part of the second round of such orders issued for BC municipalities. Through 2024 the City has been working to bring our policies and regulations into alignment with this new legislation under tight timelines, and planning for the new ongoing reporting and updating requirements.

Housing Targets, Estimates, and Commitments

The City is currently under various housing needs estimates and targets: (1) Housing Needs Report; (2) Housing Target Order; (3) Housing Accelerator Fund.

Housing Needs Report and Target Order

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

In August 2024, the City received a Housing Target Order from the Province, which was previously authorized in 2022 through Bill 43 Housing Supply Act (housing target orders) and in 2023 through an Order in Council (Housing Supply Regulation). The Housing Target Order requires New Westminster approve occupancy for 887 new units/year for the next five years, for a total of 4,432 new units. The interim update of the Housing Needs Report (HNR) using the Province's prescribed methodology, as required through Bill 44 (2024), identifies the need for 1,628 new units/year for the next five years, for a total of 8,137 new units, and a 20-year need of 27,523 new units. This is significantly higher than the City's current HNR which identifies the need for 584 new units/year. The City is required to ensure the Official Community Plan (OCP) and Zoning Bylaw include capacity for the number of units identified in the interim HNR, and to carry out updates of the HNR and all three of the City's OCPs (Downtown, Queensborough, and remainder of mainland) every five years.

Further analysis by the City shows an existing and increasing need in the next five years for housing meeting the needs of the most vulnerable. Currently, only 2% of New Westminster's housing stock is supportive, transitional, and emergency housing, and only 5% is made up of subsidized or deep subsidized rental housing without supports. Additionally required are:

- 58 shelter beds that operate 24/7 and provide support services;
- 352 deep-subsidy supportive/transitional rental units with on-site support services;
- 2,311 below- and non-market rental units.

Housing Accelerator Fund Unit Commitment

The City was awarded a grant from the Canada Mortgage and Housing Corporation (CMHC) Housing Accelerator Fund (HAF). These funds enable the City to advance initiatives aimed at improving the housing approval process, increasing housing supply, and



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expanding housing choice. In receiving the grant, New Westminster has committed to implementing an action plan that includes seven initiatives to meet the housing supply targets outlined in Attachment 2, and has committed to facilitating 2,300 new units over-and-above what would have otherwise been realized, by January 2027.

Ongoing Impact of Provincial Housing Legislation

Provincial changes in legislated requirements for housing are summarized in Attachment 1 to this memo. The changes have significant ongoing implications for the Planning and Development Department work plan and staffing, the lead department in implementation, as they:

- Are legislated, i.e. the City must carry the work out within the required timelines, and on an ongoing basis, and 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.
- Include immediate and ongoing requirements, such as more frequent updates of the Zoning Bylaw, and Official Community Plans (the City has three distinct OCPs).
- Require complex new studies to be undertaken, such as a 20-year vs. previous 10-year housing outlook; broad infrastructure and amenity planning updates to identify the services needed for accelerated growth; and an extensive financing growth strategy.
- Place a greater focus on policy planning and process requirements, whereas the City has historically focused staffing and resources on maximizing housing approvals, and on responding to crises such as the City's Crisis Response Pilot Project.

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 Planning and Development Department is the primary lead for the Homes and Housing Options work. In 2024 the department's structure and workplan were aligned with the new Strategic Plan to effectively and efficiently prioritize housing-related work, and enhance service delivery. This was further necessitated given the extensive housing-related legislative changes made by the Province, which require the City to immediately and



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continually update housing regulations, policies and approvals processes. As such, the following were implemented:

- Organized the department under two deputies – the Deputy Director of Planning (responsible for land use and housing, social, and development planning), and the Deputy Director of Building (responsible for building/plumbing permits and inspections);
- Created and completed 75% of staffing for a new Land Use and Housing Division, using existing reallocated positions, and new regular and temporary positions approved in 2024. Staffing would be completed through enhancements requested in 2025 (see Financial Implications Section);
- Created and completed 63% of staffing for a department-wide Systems Team, using existing reallocated positions. Staffing would be completed through enhancements requested in 2025 (see Financial Implications Section). This team will provide ongoing innovation and oversight of the processes used by the department in housing planning and approvals, as endorsed by Council as part of July 8, 2024 report on the outcomes of the Development Application Process Review;
- Organized the Social Planning Division into two groups: 1) under a Supervisor of Social Planning and Homelessness Prevention, focusing on homelessness prevention and supports, including permanent supportive housing; and 2) focusing on child care, food security, inclusion and social connectedness, as detailed in the staff report titled “Update to the Social Planning Work Program 2025-2026,” included elsewhere on this agenda. The Social Planning and Homelessness Prevention group is 86% staffed, using existing reallocated positions, and a temporary position approved in 2024. Staffing would be completed through an enhancement requested in 2025 (see Financial Implications Section).

This restructuring has been necessary to enable the department to: better focus on our core service of housing planning and approval; continue systems improvements to expedite the delivery of housing; implement provincial legislation changes; work towards meeting housing targets and grant commitments; and, advance work in support of achieving housing for those most in need. Details regarding this work is in the department’s “2024 Accomplishments and Highlights, and 2025 Corporate Priorities” memo, included elsewhere on this agenda.

Significantly, with the completion of significant provincial legislation deadlines in 2025, and should the remaining enhancements requested for 2025 be approved, it is anticipated that resources would become available in 2026 to place a strong focus on enabling housing for those most in need, including launching a Citywide Affordable Housing Strategy. This is work that the City had intended to advance as a key part of the Homes and Housing



Options priority, but which had to be put on hold while legislative changes were implemented.

FINANCIAL IMPLICATIONS

Required Staff Resources

In 2023, in preparation for the 2024 restructuring of the Planning and Development Department toward better aligning work with Council’s Strategic Plan and the anticipated housing-related legislative changes, 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. These are detailed in Attachment 3.

The November 20, 2023 memo “2024 Budget – A Housing Division to Expedite Housing Permits and Units,” a number of new resources were identified for both 2024, and to be requested in 2025. These staff are required above-and-beyond the efficiencies noted above, to enable the legislated work of the department, and in light of the housing targets and commitments identified in this report. Of the positions approved in the 2024 budget, 100% have been filled. The positions in the following table are included in the 2025 operating budget for Council’s consideration, and are proposed to be 100% funded in 2025 through grants and internal funding reallocation, resulting in no impact to the 2025 taxation rate, and limited impact to the 2026 rate.

2025 Staff Resources Required to Expedite Housing Permits and Units

Requested 2025 Resource	Funding Source
Housing Division	
Housing Analyst – 1 RFT converted from exiting 1 TFT (\$82K/year)	Housing Accelerator Fund (HAF) funded through 2026
Supervisor, Housing Planning (P3) – 1 TFT (\$133K)	Temporary reallocation of existing funds
Long Range Housing Planning	
Land Use Planner (P1) – 1 RFT (\$108K/ year)	HAF funded through 2026
Vulnerable Population Housing	
Social Planning and Homelessness Prevention Supervisor – 1 RFT converted from existing TFT (\$133K/year)	HAF funded through 2026 This position is repurposed from a Project Engineer position that is no longer required to be funded through HAF



Housing Unit Approvals	
Development Planner 2 – 1 RFT (\$117K/year)	HAF funded through 2026
Development Planner 1 – 1 TFT (\$108K)	Temporary reallocation of existing funds
Building Housing Analyst – 1 RFT (\$91K/year)	HAF funded through 2026
Affordable Housing Building Project Lead – 1 RFT converted from existing 1 TFT position (\$117K/year)	HAF funded through 2026
Staff Supporting Housing Work	
Systems Clerk – 1 RFT (\$68K)	UBCM grant funding in 2025
Records Management Clerk – 1 RFT (\$71K)	UBCM grant funding in 2025

Projected 2025 enhancements: \$1.028M plus benefits and general operational expenses. (Based on the current collective agreement).

Senior Government Funding

The City has been awarded three grants to date to support this work:

- **\$11.5M Canada Mortgage and Housing Corporation Housing Accelerator Fund (HAF)** – tied to advancing key housing initiatives that are designed to accelerate housing unit approvals over-and-above what would have otherwise occurred. These funds are intended to be used to advance the HAF Action Plan (Attachment 2), including required staff resources. In 2024, Council approved that these funds be allocated to related projects and enhancements in the 2024 capital and operating budgets. Staff recommends that Council continue to direct these funds to offset these ongoing costs, and the 2025 enhancements outlined in this memo.
- **\$535K Provincial Capacity Funding** – contributes to the interdepartmental costs associated with implementing the new housing legislation. Staff recommends that these funds be allocated to:
 - Creating the City’s Interim Housing Needs Report;
 - Updating the Official Community Plan, Downtown Community Plan and Queensborough Community Plan;
 - Updating the City’s Financing Growth Program, including a revised Development Cost Charge Program (DCC) and new Amenity Cost Program (ACC); and,



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- Hiring a temporary project manager to oversee the coordination of the legislated and grant requirements, in alignment with the set deadlines.
- **\$150K Union of BC Municipalities Development Approvals Fund** – these funds were awarded to undertake process improvements that enhance operational efficiency and modernize processes for housing approvals. Staff recommends that these funds be allocated to 2025 salary and related costs for a Systems Clerk and Records Management Clerk in support of the grant-related tasks: developing training materials, procedure manuals, FAQs, templates, checklists, and public information materials; and, implementing streamlined procedures, related training and capacity-building efforts.

The grants received to date will support related costs for a number of years; however, a long-term funding strategy should be considered and put in place prior to the completion of this funding.

NEXT STEPS

Staff is actively advancing the tasks and activities outlined in this memo and attachments, many of which are anticipated to be completed in 2025, though there will be ongoing detailed analysis and regular update work. Key new tasks in 2025 are: the financing growth strategy (detailed in “The City’s Financing Growth Strategy” memo elsewhere on this agenda); implementing the Systems Team work; anticipated advancement of the implementation phase of the 22nd Street Station Vision (detailed in the department’s “2024 Accomplishments and Highlights, and 2025 Corporate Priorities” memo elsewhere on this agenda); and, completing staffing of the reorganized department to continue to accelerate housing approvals.

Looking forward, staff aims to use 2025 to position the City to be able to re-focus on actively advancing achieving housing for those most in need, including launching a Citywide Affordable Housing Strategy starting in 2026.



**ATTACHMENT 1:
SUMMARY OF PROVINCIAL LEGISLATION IMPLEMENTATION TO DATE (Nov 2024)**

Legislation Release	Provincial Legislation Requirement	Progress
July 30, 2024 – Housing Targets Order Cohort 2 [link 1] [link 2]	Housing targets announced for 10 additional municipalities, including New Westminster. New Westminster’s 5-year housing target is 4,432 new units by 2029. Reporting is required at 6-months and on an annual basis measured by occupancy permits issued.	Ongoing data tracking and monitoring. 6-month report due February 2025.
April 3, 2024 – Inclusionary zoning, density bonus tenant protection and infrastructure authorities [link]	Provides local governments with new and updated tools to enact bylaws that support proactive planning to build more housing, including affordable housing: <ul style="list-style-type: none"> • <i>Inclusionary Zoning and Density Bonus</i> • <i>Tenant Protection bylaws:</i> require developers to support tenants facing displacement due to redevelopment. • <i>Site-level infrastructure and transportation demand management (TDM) authorities</i> 	Updates required, expected completion 2025. Underway. Underway.
November 8, 2023 – Transit Oriented Development Areas [link]	Requirement to designate Transit Oriented Development Areas within 800m of a rapid transit station, where the following will be required: <ul style="list-style-type: none"> • <i>Designate TODs at all SkyTrain Stations:</i> Update OCPs to designate TOD areas at all five SkyTrain Stations. • <i>Meet New Provincial Height and Density Standards:</i> 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. • <i>Prohibition of Parking Requirements.</i> For all development within TODs. 	Complete June 2024.



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<p>November 7, 2023 -</p> <p>Amenity Contribution Regulations [link]</p>	<ul style="list-style-type: none"> • 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. 	<p>Underway.</p> <p>Underway.</p>
<p>November 1, 2023 –</p> <p>Multiple new regulations announced relating to small-scale multi-unit housing and removing zoning barriers [link]</p>	<ul style="list-style-type: none"> • Small Scale Multi-Unit 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. Parking requirements prohibited for sites in proximity to frequent transit. • Housing Needs Report. Update to a 5-year and 20-year horizon using Provincial methodology (currently 10-year). Include list of actions taken to meet need and statement about housing in close proximity to transport infrastructure. • Update City’s Three OCPs. To accommodate growth forecasted in Housing Report, and addressing wider range of housing policy. • Pre-zone the City. Requirement to pre-zone land to meet their housing needs and reduce the use of current rezoning processes. City may already be in compliance; waiting for Provincial guide. 	<p>Requirements met June 2024. Extension granted for Queensborough to May 4, 2029. Infill program launched. Estimated completion June 2026.</p> <p>Underway. Deadline for completion January 1, 2025.</p> <p>Underway. Deadline for completion December 31, 2025.</p> <p>Deadline for completion December 31, 2025</p>



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	<ul style="list-style-type: none"> • Ongoing OCP Updates. NEW legislated requirement to update OCPs, with public engagement, every 5 years in alignment with updates of Housing Report. • Public Hearing Prohibition. For rezonings with min. 50% residential floor area which are consistent with OCP. 	<p>Ongoing every 5 years.</p> <p>Requirements met December 2023.</p>
<p>October 16, 2023 –</p> <p>Short-Term Rentals [link]</p>	<p>Phased project to reduce short term rentals, focusing on strengthened regulatory and enforcement tools for municipalities. The City monitors short term rentals in New Westminister, which are limited in number at this time.</p>	<p>Ongoing monitoring.</p>
<p>October 10, 2023 –</p> <p>Digital Permitting [link 1] [link 2]</p>	<p>Province partnering with selected municipalities to develop digital permitting tool by March 2024, which will then be expanded to other communities.</p>	<p>N/A</p>
<p>September 26, 2023 –</p> <p>Housing Targets Order – Cohort 1 [link 1] [link 2]</p>	<p>Housing targets announced for first ten municipalities. New Westminister was not included in this cohort.</p>	<p>N/A</p>
<p>September 18, 2023 –</p> <p>Streamlining Permit Approvals [link 1] [link 2]</p>	<p>Project to streamline Provincial permit approvals, which are not applicable to New Westminister. Announces future legislation to make secondary suites permitted throughout the province, which is already in place in New Westminister</p>	<p>N/A</p>
<p>April 3, 2023 –</p> <p>Homes for People Action Plan [link]</p>	<p>Province releases Homes for People Action Plan.</p>	<p>N/A</p>
<p>November 21, 2022 -</p> <p>Removal of strata rental and age</p>	<p>New laws to make it possible for homes that are vacant to be rented and remove discriminatory age and rental restrictions in stratas that hurt young families.</p>	<p>N/A</p>



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restrictions [link]		
April 2022 – Housing Needs Report [link]	The Province requires 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.	Completed in 2021.
September 1, 2021 - Local Government Development Approvals Program [link]	Announces successful applicants to Local Government Development Approvals Program which provided grants for housing approvals streamlining. New Westminister's Development Application Process Review project application was not selected.	N/A



ATTACHMENT 2: HOUSING ACCELERATOR FUND ACTION PLAN

In receiving the Housing Accelerator Fund (HAF) grant, New Westminster has committed to implementing an [action plan](#) that includes seven initiatives to meet the housing supply targets as outlined below:

Initiative	Description	Status
Development Approval Process Acceleration:	Redesign the development application process to speed up the review timelines and increase efficiency.	HAF Scope of Work Complete
22nd Station Area Bold Vision	Create a vision for a net zero, transit-oriented, master planned neighbourhood in the 22nd Station area, using a planning process structured to advance decolonization of development approvals.	Underway. Final Vision to be presented to Council and community December 2024.
Infill Housing Acceleration	Pre-zone in order to permit up to six residential units in single detached dwelling zones.	Underway
Townhouse Acceleration	Pre-zone lands to make it easier to construct new townhouse units. The process would explore the possibility of allowing larger units and the inclusion of lock of units. Consideration would be given to expanding the townhouse land use designation to more areas of the city.	Underway
Affordable Housing Acceleration	Amend the Official Community Plan and Zoning Bylaw to allow affordable housing as of right on residential zones in order to remove the barriers for projects on properties owned or long-term leased by non-profit organizations.	Underway
Inclusionary Housing Acceleration	Update the inclusionary housing policy to better reflect current market and development conditions to enable the creation of affordable rental units.	Underway
Family Friendly Housing Acceleration	Amplify the Family Friendly Housing Policy by mandating that a larger number of family friendly units be provided in all new projects to create more suitable housing options for families.	Complete



ATTACHMENT 3: 2023 DEPARTMENTAL EVALUATION AND REALLOCATION

In 2023, in preparation for the 2024 restructuring of the Planning and Development Department toward better aligning work with Council's Strategic Plan and the anticipated housing-related legislative changes, 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:

- 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.