

INFORMATION ONLY COUNCIL REPORT

To: Mayor and Council

From: Ron Mattiussi, CAO

Date: February 27, 2024

File No: P 24-05

Subject: P 24-05; Provincial Legislation Changes Overview

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BACKGROUND

In the fall of 2023, the B.C. Legislature passed several pieces of legislation (Bill 44, 46, and 47). These amendments to the *Local Government Act* are part of the Province's Homes for People Action Plan and "change the local government land use planning framework to enable local governments to provide more housing, in the right places, faster." This report provides an overview of the legislative changes. Amendments required to City of West Kelowna bylaws will be brought forward to Council at a later date.

DISCUSSION

Bill 44 Housing Statutes (Residential Development) Amendment Act

Small Scale Multi-unit Housing (SSMUH)

Bill 44 intends to deliver more <u>Small-Scale, Multi-Unit Housing (SSMUH)</u>. SSMUH is "a range of buildings and dwelling unit configurations that can provide more affordable and attainable housing for middle income families".

Changes in the legislation include:

- Secondary suites and/or accessory dwelling units allowed in all single-family residential zones;
- Subject to certain requirements and exemptions, 3 4 units (depending on parcel size) of SSMUH allowed in all single-family or duplex residential zones; and
- Subject to certain requirements and exemptions, 6 units of SSMUH allowed near frequent bus service. *This requirement does not apply to the City of West Kelowna given the lack of frequent transit service in the municipality.

Local governments must amend their zoning bylaws to accommodate SSMUH development by June 30, 2024. A local government "must consider applicable guidelines"

made by the Minister (ex. Provincial Policy Manual) in developing and adopting these amendments.

Pro-active Planning

Also, as part of Bill 44, B.C. is shifting to a more <u>pro-active</u>, <u>long-term approach to</u> <u>planning</u> including the following:

- Housing Needs Reports must be developed using a standard methodology and determine housing needs over 20 years. Interim Housing Needs Reports must be completed by January 1, 2025;
- Regularly update Official Community Plans. OCPs must be reviewed and updated based on the Interim Housing Needs Report by <u>December 31, 2025;</u>
- Regularly align Zoning Bylaws with OCPs and Housing Needs Reports. Zoning Bylaws must be updated to permit at least the 20-year total number of housing units identified in the most recent housing needs report by <u>December 31, 2025</u>; and
- Removal of public hearings for housing projects consistent with the OCP. *See separate report on the agenda for more information on this specific topic.

Bill 46 Housing Statutes (Development Financing) Amendment Act

Bill 46 introduces new and updated <u>Development Finance Tools</u> for local governments.

Changes in the legislation include:

- Changes to Development Cost Charges (DCCs) to include fire protection (ex: fire halls), police, and solid waste facilities as infrastructure eligible to be funded. In addition, "the DCC frameworks have been updated to include cost-shared provincial highway projects, like interchanges and highway exits. Municipalities will be able to collect and use DCCs to finance their portion of highway facilities that are cost-shared between the province and the municipality".
- Introduction of Amenity Cost Charges (ACCs) "a new development finance tool that allows local government to collect funds for amenities like community centres, recreation centres, daycares, and libraries from new development that results in increased population".

More information on the above will be brought forward to Council at a later date. Unlike Bill 44, there is <u>no statutory deadline</u> to implement these changes as these are optional tools for local governments.

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

Bill 47 has designated 52 Transit-Oriented Development Areas (TOD Areas) around prescribed transit stations. TOD Areas have minimum densities, and have removed requirements for off-street residential parking spaces. <u>Bill 47 does not currently apply to the City of West Kelowna</u> so no associated amendments to City's bylaws are anticipated. Generally regulations overlap with the new land use designation direction in the OCP.

FINANCIAL IMPLICATIONS

Through the Capacity Funding for Local Government Housing Initiatives (LGHI) Program the Province has provided a one-time grant of \$326,478 to support the City of West Kelowna in meeting new legislative requirements. Examples of eligible initiatives include:

- housing needs report (HNR)
- official community plan (OCP)
- zoning bylaw
- development cost charge (DCC) bylaw
- amenity cost charge (ACC) bylaw
- · transit oriented density bylaw transportation,
- parks or neighbourhood plan
- procedures bylaw
- works and services bylaw
- parking bylaw
- infrastructure master plans
- asset management plans or strategies
- long-term financial plan
- · capacity modelling/analysis
- condition and risk assessments
- demand management strategies
- · stormwater surcharge or rainwater recharge studies

It is noted that completion of the work required to address Provincial housing initiatives are challenged by staff resourcing and capacity in numerous departments. In addition, technical evaluation and consulting services necessary for decision-making are difficult to procure given the province wide scope of these initiatives. Based on initial review, it is anticipated that LGHI funding will be fully allocated; as such, internal Planning staff resources are being reassigned to meet legislated deadlines, and long-range policy planning projects anticipated for start-up or completion in 2024 will be re-evaluated.

NEXT STEPS

Staff are currently reviewing the City's zoning bylaw to comply with the legislated Bill 44 SSMUH requirements and expect to have proposed amendments before Council for consideration in April given the June 30, 2024, deadline. Additional evaluation of initiatives required to support provincial legislation is underway. Resources permitting, further changes will be brought forward to Council at a later date as statutory deadlines are further in the future or are not required (ex: development finance tools).

REVIEWED BY

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APPROVED FOR THE AGENDA BY

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Powerpoint: Yes \boxtimes No \square