



# Staff Report to Council

Planning and Development

FILE: 01-0125-01/23

**REPORT DATE:** November 27, 2023      **MEETING DATE:** December 05, 2023  
**TO:** Mayor and Council  
**FROM:** Christine Carter, Manager of Strategic Initiatives  
**SUBJECT:** Update on Provincial Housing Legislation

**CHIEF ADMINISTRATIVE OFFICER REVIEW/APPROVAL:**

*On behalf of CAO, Mark Roberts*

**RECOMMENDATION(S):**

THAT Council:

- A. Receive for information the report entitled “Update on Provincial Housing Legislation”, as presented at the December 5, 2023 Regular Council Meeting; OR
- B. Other

**PURPOSE**

To provide information to Council on the Province of BC, Homes for People Action Plan and accompanying legislation, namely the *Housing Supply Act*, *Short Term Rental Accommodations Act*, Bill 44 - Housing Statutes (Residential Development), Bill 46 - Housing Statutes (Development Financing), and Bill 47 - Housing Statutes (Transit Oriented Areas).

**DISCUSSION**

**Background:**

In April 2023, the Province of British Columbia launched the [Homes for People Action Plan](#) with a goal of increasing the supply of homes for middle income earners, and speeding up the delivery of such housing. The Action Plan is organized under four pillars: to unlock more homes faster; to deliver better, more affordable homes; to support those with the greatest housing need; and to create a housing market for people, not speculators.

The Homes for People Action Plan is a multi-dimensional, ambitious program that will see changes across a variety of housing market sectors (i.e. rental restrictions, taxation, speculation and investment, renter and landlord disputes, and local land use regulations). However, for the

purpose of this report, the focus is on the changes that are expected to directly impact, and require implementation by local governments.

Prior to the launch of the Homes for People Action Plan, the Province introduced the *Housing Supply Act* (formerly Bill 43, 2022). This Act supports the Homes for People Action Plan, and is considered a key component of the Plan. At the time of the launch, the Province advised that further legislation to enact the Action Plan would be released in the fall of 2023. In October and November 2023, the Province introduced four additional pieces of legislation that contribute to the sweeping changes to the local planning framework in BC: the *Short-Term Rental Accommodations Act* (formerly Bill 35); Bill 44 Housing Statutes (Residential Development) Amendment Act; Bill 46 Housing Statutes (Development Financing) Amendment Act; and Bill 47 Housing Statutes (Transit Oriented Areas) Amendment Act.

Figure 1. Homes for People Action Plan

Housing Targets	Short-Term Rental	Residential Development	Development Financing	Transit Oriented Areas
<ul style="list-style-type: none"> <li>•Housing Supply Act</li> <li>•adds housing targets for municipalities with highest demand and growth</li> </ul>	<ul style="list-style-type: none"> <li>•Short Terms Rental Accommodations Act</li> <li>•to turn more short-term rental into homes</li> </ul>	<ul style="list-style-type: none"> <li>•Bill 44</li> <li>•small-scale multi-unit housing &amp; secondary suites for middle-class earners</li> <li>•changes to public hearings</li> <li>•changes to Housing Need Report</li> </ul>	<ul style="list-style-type: none"> <li>•Bill 46</li> <li>•changes framework for local governments to pay for infrastructure &amp; community amenities</li> </ul>	<ul style="list-style-type: none"> <li>•Bill 47</li> <li>•create housing adjacent to rapid transit stations &amp; bus exchanges</li> </ul>

**A. Housing Supply Act:**

On November 24, 2022, the Province gave royal assent to Bill 43 - Housing Supply Act. The Act was brought into force on May 31, 2023. The Act aims to increase the pace of housing development by allowing the Province to set housing targets for municipalities that have the highest demand and projected growth, and the accompanying regulation includes a list of 47 “specified” municipalities that could be the subject of a housing target order. The City of Pitt Meadows was identified as a “specified” municipality in the Regulation, but was not selected as part of the first cohort of 10 municipalities that will be subject to a housing target. However, given that Pitt Meadows is on the list, the City may be subject to a housing target order as part of a future cohort, with cohorts of 8 – 10 municipalities expected to be announced every 6 to 8 months.

Key highlights of the Act include:

- The Province must consult with the “specified” municipality before formally establishing the housing target.

- In establishing a housing target, the Province must consider, among other items, local housing needs reports; official community plans; information related to the demand and supply of housing; and current or anticipated investments in transportation.
- Upon the establishment of a housing target, the municipality must prepare a progress report at each reporting period specified in the order, and publish the report on its website.
- If the Province determines that the municipality has failed to meet or make sufficient progress toward meeting the housing target, it can appoint an independent advisor and/or issue a directive. An advisor will review the actions, progress made and municipal policies and will submit a report to the Province with recommended actions.
- Following receipt of the advisors report, the Minister may issue a directive to require the municipality to enact or amend a bylaw or issue (or refuse to issue) a permit. If the municipality fails to comply with the directive, the Lieutenant Governor may enact or amend the bylaw or issue (or refuse to issue) the permit.

## **B. Short Term Rental Accommodations Act**

On October 26, 2023, the Province adopted *Bill 35 - Short Term Rental Accommodations Act* with the goal of turning short-term rentals into homes for people. This new Act comes into effect on May 1, 2024. The number of short-term rental on online platforms, such as Airbnb, VRBO, Expedia and Flipkey, has expanded since the pandemic, and are increasingly being viewed as contributing to the Provincial housing challenges.

Key highlights are as follows:

- The regulations apply to a host in municipalities with a population over 10,000 people
- Municipalities with less than 10,000 population or vacancy rates above 3% are exempt from the legislation. Hotels and motels are also exempted.
- As of May 1, 2024, Short-term rental platforms will be required to include business licence numbers on listings (where they are permitted) and to remove listings that do not have a business licence.
- On-line platforms will be required to share their data with the Province. The Province can share the data with local governments to assist with enforcement and federal tax auditing.
- Enforcement fines are to increase from \$1,000 to \$3,000, per infraction, per day.
- Short-term Rentals are to be limited to:
  - the “principal residence” of a host which includes the short-term rental of a room, plus
  - one secondary suite or laneway home/garden suite on the property.
- The City of Pitt Meadows is subject to the “principal residence” requirement. The Act allows local government to introduce additional, more restrictive bylaws. The Pitt Meadows Zoning Bylaw allows only bed and breakfasts with valid business licences to rent out for short-term accommodation up to 3 rooms, or 4 rooms in the A-1 and A-2 zones, that are within the principal residence of a single family dwelling occupied by the operator.

- The Province is establishing a Provincial regulatory framework which will require all hosts and platforms to be registered with the Province, and have a valid provincial registry number. The Registry is to be active in late 2024.

### **C. Bill 44 Housing Statutes (Residential Development) Amendment Act**

On November 8, 2023 the Provincial Government gave second reading to Bill 44 - 2023 Housing Statutes (Residential Development) Amendment. This Bill is still being considered by the BC Legislature, but is described as implementing some of the most significant changes to the local government planning and land use regime in nearly 40 years. This legislation will allow increased density in areas currently zoned for single-family or duplex use. Some key highlights of Bill 44 are shown on Figure 2 and include:

- Small-Scale, Multi-Unit Housing Zoning Bylaw amendments:
  - Apply only to lands within an Urban Containment Boundary and municipalities with populations greater than 5,000 people.
  - Small-Scale, Multi-Unit Housing includes secondary suites in single-family homes or duplexes; detached garden suites or laneway homes; triplexes; townhomes; and house-plexes.
  - Up to 3 units will be permitted as-of-right on lots smaller than 280 m<sup>2</sup> (3,013 ft<sup>2</sup>).
  - Up to 4 units will be permitted as-of-right on lots 280 m<sup>2</sup> (3,013 ft<sup>2</sup>) or larger.
  - Up to 6 units will be permitted as-of-right on lots larger than 280 m<sup>2</sup> (3,013 ft<sup>2</sup>) that are within 400 metres of frequent transit stops. Minimum parking requirements cannot be imposed, allowing parking numbers to be determined by the home builder (further details are expected from the Province to define frequent transit stop).
  - Zoning Bylaws are to be updated by June 30, 2024, to incorporate the required changes to permit Small-Scale, Multi-Unit housing.
  - The Province will be releasing a policy manual, which will include site standards on setbacks, height restrictions, parking and lot coverage. The regulations and manual are expected in December 2023.
- Secondary suites or accessory dwelling units:
  - Zoning bylaws are to be amended to permit one secondary suite or laneway home in all single-family or duplex residential zones.
  - A Provincial pilot secondary suite incentive program is being launched and will provide forgivable loans up to \$40,000 to people who create a secondary suite in their homes and rent out the unit at below market rates, for a minimum of 5 years.
- Housing Needs Reports:
  - Are to be updated using a standardized method (details are expected to be provided by the Province in January 2024).
  - Are to include 20 year projections and are to be updated every 5 years.
  - The Interim Housing Needs Report is to be completed by January 1, 2025.
  - The City of Pitt Meadows existing Housing Needs Report was completed in April 2022.

- OCP and Zoning Bylaw Amendments:
  - Following the completion of the Interim Housing Needs Report, the Official Community Plan and Zoning Bylaw are to be amended to address any housing gaps identified in the Housing Needs Report (due December 31, 2025).
  - Municipalities will need to update their OCP's and Zoning Bylaws every 5 years to align with updated Housing Needs Reports.
  - The City's Official Community Plan was adopted by Council in 2022.
- Public Hearings:
  - Will be prohibited for residential rezoning applications that are compliant with the OCP.
  - Public hearings are also prohibited in connection with the Zoning Bylaw amendments necessary to comply with the new requirements for allowing additional housing units.

Figure 2. Small-Scale, Multi-Unit Housing – At a Glance



Source: Ministry of Housing, Small Scale, Multi-Unit Housing, Technical Brief, Nov 1, 2023

### Bill 46 Housing Statutes (Development Financing) Amendment Act

On November 9, 2023, the Provincial Government gave second reading to Bill 46-2023 Housing Statutes (Development Financing) Amendment. This Bill will change the framework used by local governments to pay for infrastructure and community amenities related to new development. The stated goals of the Province are to provide communities and builders with efficient and transparent tools, to streamline processes and reduce construction delays. Some key highlights of Bill 46 include:

- Development Cost Charges (DCC):
  - Expands the list of DCC categories to include solid waste, recycling facilities, fire protection services and police facilities. The current system limits DCCs to sewer, water, drainage, transportation, and improving parkland.
  - The Minister may introduce additional waivers/reductions for affordable and non-market housing

- Municipalities will need to update DCC bylaws if they wish to add these new categories.
- Amenity Cost Charges (ACC):
  - Community Amenity Contributions (CAC's) are currently negotiated between local governments and developers based on local government policy, and vary by municipality.
  - A new legislative framework for amenity contributions (ACC's) has been introduced.
  - Amenities include facilities or features that provide social, cultural, heritage, recreational or environmental benefit to a community and may include:
    - community, youth or seniors centre
    - recreational or athletic facility
    - library
    - daycare facility
    - public square
  - Affordable housing is not identified as an amenity in the proposed legislation.
  - A bylaw will be required to collect ACC's.
  - The City's current CAC policy supports collecting amenities as a condition of zoning; however, Bill 46 establishes a procedure for ACC's to be paid at the time of the approval of a subdivision or when a building permit is issued (similar to DCC's).

#### **D. Bill 47 Housing Statutes (Transit Oriented Areas) Amendment Act**

On November 8, 2023 the Provincial Government gave first reading to Bill 47-2023 Housing Statutes (Transit Oriented Areas) Amendment. Key highlights of Bill 47 include:

- The legislation defines Transit Oriented Development (TOD) areas as areas within 800 metre of a rapid transit station (i.e. SkyTrain station) and within 400 metres of a bus exchange where passengers transfer from one route to another.
- This Bill establishes minimum allowable height and density provisions for TOD's. Local governments will not be able to prohibit or restrict density, size or dimensions of buildings or structures in these areas.
- Local governments may not require off-street parking spaces for the residential use of the building, other than parking for disabled persons. Commercial parking requirements will not be impacted.
- The Regulations and detailed Provincial guidelines are expected to be released in December 2023.
- Municipalities will have until June 30, 2024 to designate additional TOD areas pending the regulation.
- Density, height and type of building are dependent on Transit Oriented Area Type. According to Figure 3 below, Pitt Meadows may be subject to TOA Type 1; however, it is not clear if the City has any transit hubs per the legislation. The Provincial guidelines should clarify this matter.

Figure 3. Transit Orientated Development Areas – Policy Framework

TOA Type	Transit Hub Type	Prescribed Distance	Minimum Allowable Density (FAR)	Minimum Allowable Height (Storeys)	Type of Building
TOA Type 1 (Metro Vancouver)	1A) Rapid Transit	200m or less	Up to 5.0	Up to 20	Condo Tower
		201m – 400m	Up to 4.0	Up to 12	High Rise, Mid-rise
		401m – 800m	Up to 3.0	Up to 8	Mid-rise
	1B) Bus Exchange	200m or less	Up to 4.0	Up to 12	High Rise, Mid Rise
		201m – 400m	Up to 3.0	Up to 8	Low-rise, Townhouse
TOA Type 2 (Victoria/Kelowna/Other Medium-Sized Munis)	Bus Exchange	200m or less	Up to 3.5	Up to 10	Mid-rise
		201m – 400m	Up to 2.5	Up to 6	Low-rise/Townhouse
TOA Type 3 Other qualifying areas	Bus Exchange	200m or less	Up to 2.5	Up to 6	Low-rise
		201m – 400m	Up to 1.5	Up to 4	Townhouse

Source – Province of BC, Backgrounder 3, Nov 8, 2023

### Analysis:

The *Housing Supply Act*, *Short-Term Rental Accommodations Act*, and Bills 44, 46 and 47 represent a fundamental shift in the planning and regulation of land use in the Province of BC. Residential land use matters and decisions, which have historically been primarily within the mandate of local government, will now be subject to substantially more Provincial oversight and influence. The new legislation is raising concerns and questions that staff are hopeful will be clarified with the release of regulations, policy manuals and guidelines later this year and in the new year. Until then, much remains unclear about the potential implications of the recent and forthcoming legislative changes.

It is important to note that other jurisdictions that have already enacted similar regulations to permit additional density on single detached lots have not experienced an immediate transformation, suggesting that the City has time to conduct analysis to understand the potential uptake of these new regulations. Furthermore, gradual uptake may provide citizens time to adjust to densification in their neighbourhoods.

Some issues identified to date include:

- Questions about various development constraints in the City, including the floodplain, Agricultural Land Reserve, and airport zoning regulation, and how these constraints will fit with the new legislation.
- Intense, as-of-right residential densification in established neighbourhoods is expected to create challenges related to engineering services and the road network. Implementation will need to include considerable review to fully understand the impacts and costs, and how local

governments will secure road dedications, statutory rights-of-ways and infrastructure servicing upgrades.

- Natural features and environmental considerations (i.e. tree protection, floodplain, soil) are issues that will need to be considered as properties densify.
- School District 42 has historically calculated school capacity based on land use designation and population projections. Densification beyond the current OCP designation will likely impact enrollment levels and projections.
- New legislative authority for Amenity Cost Charges can be used for the purpose of collecting funds to pay for capital costs relating to growth; however, unlike CAC's, affordable housing is not identified as an amenity for the use of ACC's. At this point, it appears that the ACC program could create a funding gap for affordable housing.
- Residents enjoy the small town character of Pitt Meadows and the development pattern of the City has been laid out to focus density along the Harris Road corridor and near the Civic Centre where shops, services, amenities and transit are located. Increasing densities in single family and duplex zoned lots, and adjacent to frequent transit service and Transit Oriented Development Areas could impact the character of these neighbourhoods and potentially shift the demand for services.
- The City is currently in an enviable position of only seeking modest growth of commercial areas in the future, and the supply of retail and business services is balanced with an appropriate amount of space available. Residential densification could result in a lack of sufficient services and employment opportunities being available in the community, as demand would likely increase.
- The Provincial legislation seeks to densify residential uses adjacent to frequent transit service and in Transit Oriented Development areas. Many of these areas are currently envisioned as having future employment or industrial uses, and the introduction of residential could potentially reduce long term supply.
- The legislation requires densification along "frequent" transit stops and within Transit Oriented Development areas, and it is unclear how those regulations will apply in Pitt Meadows. It is also unclear how Rapid Bus service and West Coast Express fit into this program. Staff are hopeful that the policy manuals will clarify these matters.
- Parking requirements will either be reduced or waived, and are expected to have an impact on the local road network and Bylaw Enforcement calls for service.
- Zoning Bylaw amendments to allow Small-Scale, Multi-Unit Housing and designate TOD areas are to be in place by June 30,2024. These bylaw amendments are prohibited from being considered at public hearing. Staff anticipate that these changes may be viewed as an unwelcome surprise by some residents, and it will be important to communicate that these changes and timelines for adoption are mandated by the Province.



## Next Steps

Staff are reviewing the *Housing Supply Act*, *Short-Term Rental Accommodations Act*, and Bills 44, 46 and 47 very closely and are awaiting receipt of Provincial regulations, policy manuals and guidelines, to complete a detailed project work plan. This report provides a high level introduction to the key action items required in the legislation; however, it is recognized that each one of these items will likely trigger amendments to other City bylaws and policies. While far from being an exhaustive list, staff anticipate that amendments will be needed to update development permit guidelines, subdivision and servicing requirements, development procedures, the Regional Context Statement, Business Licensing Bylaw, Building Bylaw, and enforcement as it relates to short-term rental. A complete list of actions will be provided in a future Council update.

## Key Dates and Timelines:

The *Housing Supply Act*, *Short-Term Rental Accommodations Act*, and Bills 44, 46 and 47 result in historic changes to the Planning framework in British Columbia, and result in a very ambitious implementation schedule for local governments. Some key dates are as follows:

Dec 2023	Small-Scale, Multi-Unit Housing and Transit Oriented Development regulations and policy manuals/guidelines are to be provided to local governments
Jan 1, 2024	Housing Need Report instructions to be provided by the Province to Local Governments
Jan/Feb 2024	Details announced for \$51 million funding allocation for local governments
June 30, 2024	Zoning Bylaw amendments related to Small-Scale, Multi-unit housing to be adopted and TOD areas designated
June/July 2024	Province to provide zoning bylaw and OCP update instructions to local governments
Jan 1, 2025	Interim Housing Needs Report is to be adopted
Dec 31, 2025	Municipalities to have completed their first review and update of Official Community Plan and Zoning Bylaw to align with interim Housing Needs Report

## **COUNCIL STRATEGIC PLAN ALIGNMENT**

- Principled Governance     Balanced Economic Prosperity     Infrastructure  
 Community Spirit & Wellbeing     Corporate Pride     Public Safety  
 Not Applicable

**Housing Diversity:** Encourage diversity in housing types to foster an inclusive, affordable and multigenerational community.

**Investments:** Proactively plan for infrastructure and invest tax dollars to ensure the long-term viability and resiliency.

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### **WORKPLAN IMPLICATIONS**

- Already accounted for in department workplan / no adjustments required
- Emergent issue / will require deferral of other priority(ies)
- Other

The 2023 Business Plan for the Planning and Development Department included housing related work; however, the scope of this has increased significantly given the *Housing Supply Act*, *Short-Term Rental Accommodations Act*, and related housing statutes. This work is accounted for in the 2024 Work program. The Department has allocated additional resources and is well positioned to deliver and meet Provincial mandated requirements.

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### **FINANCIAL IMPLICATIONS**

- None       Budget Previously Approved       Referral to Business Planning
- Other

It is challenging to anticipate all of the financial implications of these provincial housing initiatives given the evolving nature of the legislation, and information available at this time. However, it is clear that the legislation will require a number of bylaw and policy changes, to be done in a very tight timeframe. In September 2023, the Province announced that \$51 million will be available to support local governments to meet new housing initiatives. Details regarding the funding allocation are expected in January or February 2024, and then Council will be updated further. The City has also applied to the Canada Mortgage and Housing Corporation Housing (CMHC) Housing Accelerator Fund, which can be used to support the implementation of housing initiatives, should the City be awarded the grant.

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### **PUBLIC PARTICIPATION**

- Inform       Consult       Involve       Collaborate       Empower

Comment(s):

The subject report provides an update on Provincial housing initiatives and is provided as information only. As noted earlier in this report, the removal of public hearings (for implementing this Provincial legislation and all residential rezoning applications that are consistent with the OCP) has limited the ability for residents to provide meaningful comments. Moving forward, staff will provide recommendations regarding how information can be disseminated in the community.

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**KATZIE FIRST NATION CONSIDERATIONS**

Referral     Yes     No     Other

A referral to the ᑕᓴᓴᓴ (Katzie) First Nation is not required or recommended, at this time. It is noted that the Provincial housing legislation specifically indicates that the regulations do not apply to First Nations reserve lands. However, as additional information is received from the Province, and the City's work program is developed, there will be opportunities for information sharing.

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**SIGN-OFFS****Written by:**

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**Reviewed by:**

Patrick Ward,  
Director of Planning and Development