



New Regulations & Tools

Local Government Housing Initiatives



Ministry of
Housing

Local Government Webinar Series
June 25 & 26, 2024
Ministry of Housing

Purpose

Provide an update on the latest regulations and tools for new local government housing legislation, specifically:

- **Housing Needs Reports regulations**
- **New authorities for local governments (Bill 16)**
 - Inclusionary Zoning tool & Density Bonus amendments
 - Tenant Protection Bylaws
 - Works and Services
 - Transportation Demand Management
- **Amenity Cost Charge tool regulations**



Proactive Planning- Bill 44

- Address inconsistencies and ensure better upfront planning, long-term planning.
 - Standardize housing needs reports.
 - Ensure adequate housing in official community plans.
 - Align zoning bylaws with official community plans.
 - Move away from site-by-site rezoning or spot-zoning.
- **Ultimately, speeding up housing development and creating the conditions to get the housing built faster for all British Columbians.**



Housing Needs Reports Regulations

- Introduces new HNR Method, a standardized approach for calculating the total number of homes needed over 5 and 20 years.
- Specifies additional content requirements for HNRs and simplified HNR information collection requirements.
- Sets deadlines for completing interim HNRs. Outlines timing for future updates to OCPs and zoning bylaws.



Interim Housing Needs Reports

- Interim HNRs must be completed by January 1, 2025.
- Only three new, additional items must be included:
 - The number of housing units needed over the next 5 and 20 years, calculated using the HNR Method;
 - A statement about the need for housing close to transportation infrastructure that supports walking, cycling and public transit; and,
 - A description of actions the local government has taken to reduce housing need since the last housing needs report.
- These items can be added to the latest housing needs report or included in a completely new housing needs report.



HNR Method for Calculating Housing Need

The HNR Method consists of six components, which are added together to calculate the total number of housing units needed in a municipality or regional district electoral area:

- a) Supply of units to reduce extreme core housing need (those paying more than 50% of income for housing);
- b) Supply of units to reduce homelessness;
- c) Supply of units to address suppressed household formation;
- d) Supply of units needed to meet household growth over the next 5 or 20 years;
- e) Supply of units needed to meet at least a 3% vacancy rate; and,
- f) Supply of units needed to meet local demand. *This component is only included for municipalities.*

How to Calculate Housing Need

- UBC's Housing Assessment Resource Tools (HART) is developing an online tool, the "HNR Calculator," scheduled for release in July.
 - The HNR Calculator will automatically pull in relevant data for each component, guiding users through each step to calculate the total number of housing units needed over 5 and 20 years.
- The HNR Method can also be applied using Excel instead of the HNR Calculator.
 - Provincial technical guidance provides a written description of each component in the HNR Method, links to all required data and sources, a step-by-step guide on how to calculate it, and tables illustrating the calculations in practice for a sample community.
- The Province provides all the required data via the technical guidance and at: <https://catalogue.data.gov.bc.ca/group/housing-needs-reports>

Other Housing Needs Reports Resources

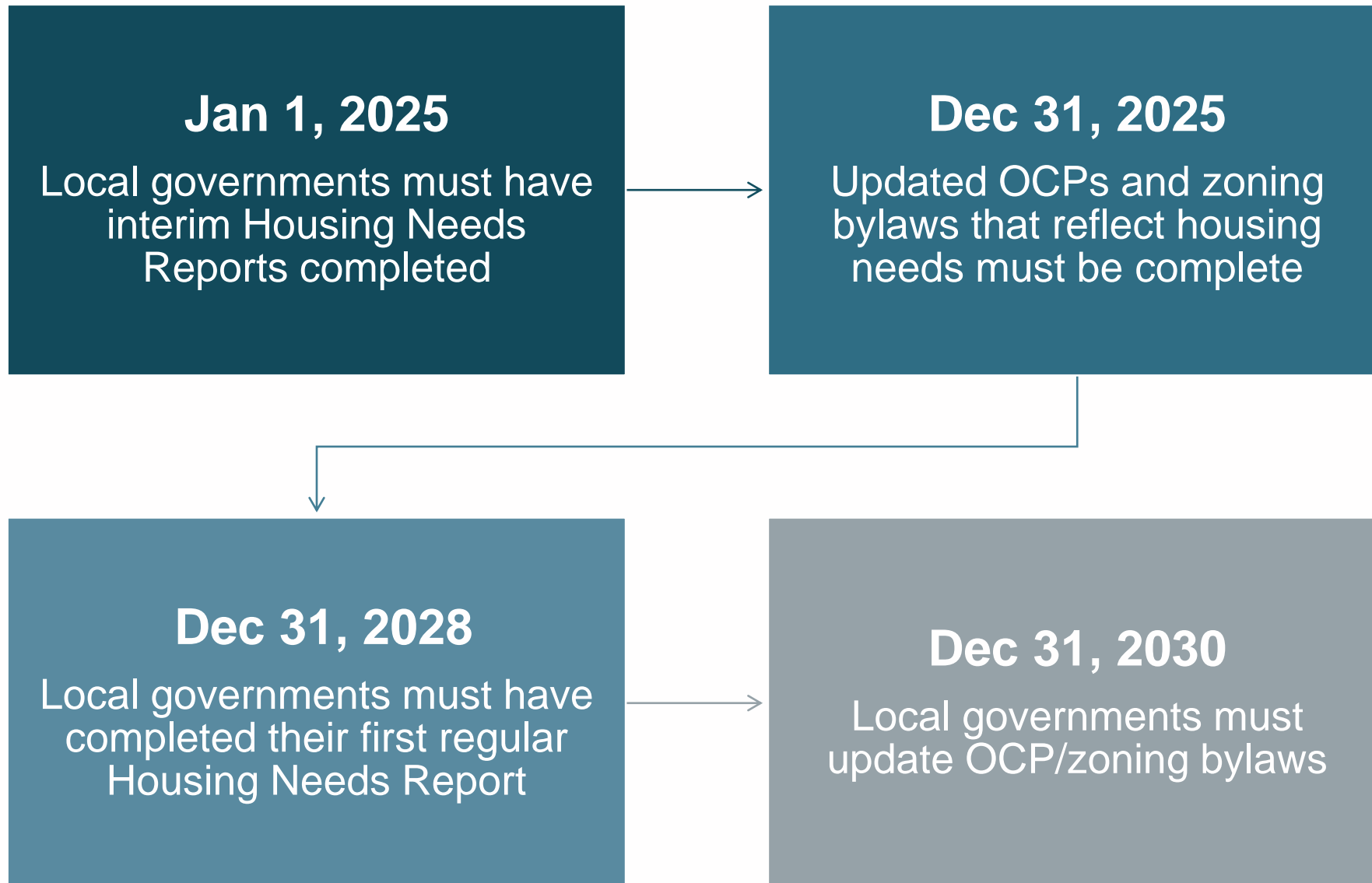
Posted online:

- Housing Needs Report FAQ
- Summary of Legislative and Regulatory Requirements for Housing Needs Reports
- Housing Needs Report Technical Guidance

Future guidance:

- Provincial guidance will be provided to municipalities later in 2024 to help update official community plans and zoning bylaws.

Key Dates



Bill 16: New Authorities for Local Governments

Tools to support the shift to a pro-active zoning approach and to build more affordable, livable communities:

- Inclusionary Zoning (+ density bonus changes)
- Tenant Protection Bylaws
- Works & Services
- Transportation Demand Management



Inclusionary Zoning

- New tool that allows local governments to require affordable units in new development through an inclusionary zoning (IZ) bylaw.
- The IZ bylaw must set out the required proportion of affordable units, their tenure, rent or sales price, and length of time they must remain affordable.
- Local governments may also include requirements for ownership/operation of the IZ units, and number of required bedrooms.
- When using IZ, local governments must complete financial analysis and consult to ensure that it will not deter development in their area.
- Most effective in high-growth area with demand for high-density development.



Inclusionary Zoning

- Local governments may accept cash in-lieu of affordable units or accept the affordable units on one or more other sites by agreement.
- IZ can be varied for different forms of tenure, areas, parcels of land, sizes/types of units, construction materials.
- IZ cannot apply to non-market projects (e.g. BC Housing, non-profits).
- In development where IZ applies, ACCs may be waived or reduced on the market rate units, and ACCs are exempt on the affordable units.
- New or amended IZ bylaws will not apply to in-stream applications.



Density Bonus Amendments

- Density bonus is an existing tool that allows a developer to build to a higher density, in exchange for providing affordable housing or amenities.
- Amendments clarify how this tool is used and ensures alignment with IZ.
- Density bonus bylaws must set out specific information about the amount and the type of affordable housing or amenity desired.
- New requirements for consultation, financial analysis, and annual reporting.
- Clarifies rules about cash-in-lieu and meeting bylaw conditions on other sites.
- New/amended density bonus bylaws will not apply to in-stream applications.
- LGs must comply with new rules by mid-2025 at the earliest.

Tenant Protection Bylaws

- Allows municipalities to develop tenant protection bylaws (TPBs).
- TPBs require developers to provide financial and other assistance to tenants during redevelopment to offset impacts of displacement.
- TPBs can be tied to the development permit process.
- Both municipalities and regional districts can require developers to provide development approval information on anticipated impacts to tenants by the proposed redevelopment.
- Provincial policy guidance will leverage best practices.



Works and Services

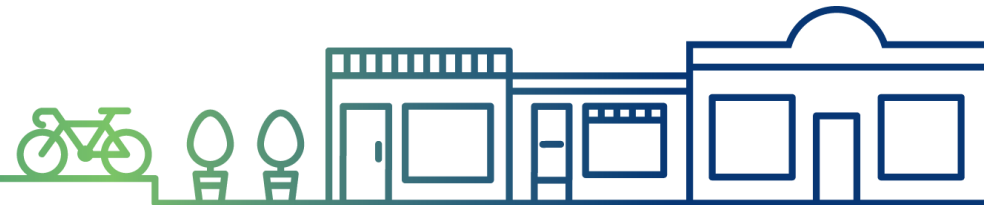
1. Clarifies that these can be required at **Building Permit**.
 - i.e. infill developments, and not just 'greenfield' (subdivision)

2. **Expands list** of what local governments can require:
 - (existing) water/fire/sewage/drainage systems, highways, sidewalks, boulevards, boulevard crossings, street lighting, transit bays or underground wiring
 - (new) amenities, e.g. benches, bollards, bike parking facilities, parklets, streetlamps, street signs, transit shelters, recycling containers
 - (new) transportation infrastructure to support walking, cycling, transit, traffic calming, etc.
 - (new) sustainable design features that provide for energy and water conservation, GHG reductions and climate resilience

Works and Services

- 3. Expands Road Dedication Authority** to provide an additional 5m for infrastructure that cannot be accommodated within current limits:
- active and alternative transportation infrastructure (e.g. bike lanes, wider sidewalks, traffic calming); and
 - sustainable design features (e.g. rain gardens, street trees).

* Must not be used to prevent development to the level of density permitted by the zoning bylaw.



Transportation Demand Management (TDM)

1. Ability for local governments to define and **require TDM measures by Bylaw**
 - can include items like charging stations, bicycle parking, and end-of-trip facilities.
2. Ability to collect **Cash-In-Lieu**
 - following the same rules for managing and developing reserve funds as those that exist for parkland dedications and development cost charges (DCCs).
3. Two new types of policies OCPs *may* include (LGA s.474)
 - policies of the LG relating to alternative forms of transportation; and
 - policies relating to TDM.



Amenity Cost Charge (ACC) Regulations

The ACC tool allows local governments to collect funds for amenities from new development that results in increased population.

There are two new ACC regulations:

- Affordable housing exemption
- Payments in instalments



ACC Regulation - Exemptions

- The following types of affordable housing are exempted from paying ACCs:
 - Rental and supportive rental housing units owned/leased and operated by government entities and/or non-profit housing providers that have received government funding, have a housing agreement with a local government, or a section 219 covenant securing affordability conditions with a local governments
 - Non-profit cooperative housing
 - Transitional housing
 - Emergency shelters



ACC Regulation – Payments in Instalments

- Provides developers with the option to pay ACCs in instalments beyond the building permit stage.
- Outlines specific details of the timing of ACC payments by a developer based on three equal instalments on the same schedule that is included for how developers may pay DCCs in instalments.



Resources

- Comprehensive guidance for development finance and the new Bill 16 authorities will be released later this year. Bill 16 interim guidance will be released summer 2024.
- \$51M capacity funding program – can be used for implementing new authorities
- PIBC Peer Learning Network
- Main webpage: gov.bc.ca/gov/content/housing-tenancy/local-governments-and-housing/housing-initiatives
- View past webinar material and future webinars at: gov.bc.ca/gov/content/housing-tenancy/local-governments-and-housing/housing-initiatives/webinars



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