



New Housing Policy in BC- 2024 and Solutions for More Efficient Approvals

Housing Supply Declines

- Victoria's population in 1972 was 192,000 – housing starts 4,192.
- Victoria's population in 2023 was about 400,000 – housing starts 4,992 – a “record.”
- Relative to the different populations, a decline of 43% in 2023 vs 1972.
- In 1976, Canada's population was about 23 million with housing starts of 273,000.
- In 2023, Canada's population was 40 million with starts of 240,000.
- Relative to the populations, that's a 41% difference in new housing.

Today's Home Building Environment

- Canada has one housing start for every 4.2 people entering the working-age population. The historical average is 1.8. To meet demand and reduce housing inflation, Canada would need to double its housing construction capacity.
- Compare Canada against its Group of Seven partners...we have the fewest homes per capita, highest home ownership rate, lowest affordability, highest population growth, lowest production of new housing, highest cost to build, some of the heaviest regulation and taxation among G7 countries.

Province Establishes Housing Targets Within Five Years

- **City of Abbotsford – 7,240 housing units**
- **City of Delta – 3,607 housing units**
- **City of Kamloops – 4,236 housing units**
- **District North Vancouver – 2,838 housing units**
- **District of Oak Bay – 664 housing units**
- **City of Port Moody – 1,694 housing units**
- **District of Saanich – 4,610 housing units**
- **City of Vancouver – 28,900 housing units**
- **City of Victoria – 4,902 housing units**
- **District of West Vancouver – 1,432 housing units**

Small Scale Multi-Homes (SSMH) Legislation

- All local governments to update zoning bylaws to permit one secondary suite or laneway home (accessory dwelling unit) in all single-family residential zones;
- Zoning bylaws updated by June 30, 2024 to permit small-scale, multi-unit housing such as triplexes and townhomes in municipalities of over 5,000 people and within urban containment boundaries;
- Three to four units permitted on lots currently zoned for single-family or duplex use, depending on lot size. Lots smaller than 280 square metres allowed three units, and larger lots allowed four.
- Six units permitted on lots within a prescribed distance to transit stops with frequent service, that are larger than 280 square metres and currently zoned for single-family or duplex use in selected areas;
- All local governments to update their housing needs reports (HNR) using a standardized methodology to estimate housing needs over a 20-year time horizon;
- All local governments “must provide for at least the 20-year total number of housing units required to meet anticipated housing needs”
- Phase out public hearings for rezonings where housing projects are consistent with Official Community Plans.

Expanded DCCs and Legalized CACs

- Development Cost Charges (DCCs) to include fire and police stations, solid waste facilities and highways, in addition to existing coverage of sewer and water, sidewalks and parks.
- Local governments should follow Development Cost Charges Best Practices Guide (gov.bc.ca)
- Community Amenity Contributions legalized which include recreation centres, public art, cash in-lieu, etc.

New BC Policy Manual for Site Standards

- Provincial Policy Manual to be used by local governments to guide updates to zoning bylaws, other regulatory bylaws, and policies undertaken to comply with Small Scale Multi-Homes (SSMH) legislation.

Table 6: Recommended zoning regulations for lots requiring a minimum of 3 or 4 units that are less than 1,215m² in size

Zoning Bylaw Parameter	Recommended Benchmark Regulation	Considerations
Front Lot Line Setback	Minimum of 2 metres	A front lot line setback of 4-6 metres may be warranted if there are no sidewalks or public boulevards for trees, or to accommodate stormwater infrastructure or future road or right-of-way dedications.
Rear Lot Line Setback	Minimum of 1.5 metres for ADUs or main buildings	Actual rear lot line setbacks will approximate 5 meters if parking in rear is required due to parking requirements and lot configuration.
Side Lot Line Setbacks	Minimum of 1.2 metres	Actual side setbacks will approximate 3 meters if parking in rear is required due to parking requirements and lot configuration.
Maximum Height	Maximum building height of 11 metres to the mid-point of a pitched roof or highest point of a flat roof	A universal height limit that permits three stories regardless of the method of measurement, site gradient, or roof style is recommended to help improve the viability and diversity of SSMUH housing forms.
Maximum Number of Storeys	3	
Maximum Lot Coverage	50%	Onsite parking requirements will contribute significantly to impervious surface coverage on lots. Impervious coverages exceeding 60% may require on-site stormwater retention and/or treatment.
Off-Street Parking Requirements	Maximum 0.5 space/unit if lot is within 800 m of transit stop with a bus at a minimum frequency of every 15 minutes (measured between 7am - 7pm) Maximum 1 space/unit otherwise	Other factors that could be used to set parking requirements include proximity to services (e.g., designated village or town centres), walk scores, and the availability of on-street or other parking alternatives. Higher maximum parking requirements (e.g., 1.5 spaces/unit) may be appropriate in smaller communities with no or limited public transportation, or for example, where on-street parking is impractical due to snow removal requirements.

Standardized Housing Design Project (SHDP)

- The province has issued an RFP to create designs for townhomes, triplexes, and laneway houses.



BC Builds – Housing for Middle Class

- Creates an inventory of available public land and publicly finance construction with a private or not-for-profit developer.
- Provincial contributions to BC Builds can produce rents for households with incomes:
 - \$84,780 to \$131,950 for a studio or one-bedroom home
 - \$134,410 to \$191,910 for a two-bedroom home or larger
- BC Builds is not a traditional government housing program – BC Housing programs provide homes for low- to moderate-income earners.
- Visit BCBuildsHomes.ca

VRBA Recommendations for Local Governments

- **Avoid departmental silos** for development and building permit approvals. Some departments may be short-staffed, on vacation, or micro-manage their input. Bring together departments for a meeting to review permit applications.
- **Separate homeowner builder applications from professional licensed builder applications.** Homeowner builders often require significant time from municipal staff. There is an important distinction between a business and a hobby.
- **Review high permit fees based on cost of construction.** Local government revenue from these fees should not increase as housing starts decline, just because builders' costs for materials and labour have increased.
- **Promote building code consistency.** Adopt code interpretations by the BC Building and Safety Standards Branch. Avoid sending interpretation differences between inspectors and builders to the BC Building Appeal Board. This adds to housing costs. Submit your interpretation to the provincial Interpretation Committee for review.

- **Implement and review pre-meetings** for development applications and building permits. Many local govts already have pre-meetings, however projects may be stalled when changes are made by staff already considered to be settled by the builder. This may happen multiple times. Avoid half a dozen pre-meetings.
- **Circulation response times** – Adopt best practices standards for community associations, including enforced deadlines for responses. Be aware of community associations providing “last minute” responses past the deadline, which may be used as a strategy to broadside developers. There should be no extensions and responses should be accepted only from recognized community associations.
- **Review overlapping regulations** eg multiple authorities
- **Assign a higher priority to housing applications** over other planning work, such as sign approvals. In addition, sign approvals should be managed by staff only, not council.

- **Pre-zone focused areas after the community planning process is complete.** Official Community Plans should be reviewed every 5 years.
- **Expand Delegated Authority** to staff for minor development permit amendments.
- **Advisory Design Panel members** should be qualified designers, landscape architects, developers, etc. The Planning Dept should focus on planning, not design issues. There should be no second reviews by the panel.
- **Encourage Creative Solutions** When VRBA completed the Flex-Plex Housing project with Habitat for Humanity in 2010 - opening the door to the first legal suites in Saanich – we recommended identifying one person with the authority to shepherd projects through the departments. Housing affordability requires creative thinking and unique solutions. However, they are exactly what gets stalled in the municipal process, resulting in long approval timelines boosting costs and unaffordability.

Government's Impact on Housing Affordability

- BC's average housing price is \$991,440 vs Canada's average of \$685,809.
- Govt regulations, fees and taxes are high and rising. Three levels of government tell builders where and what to build (zoning); when to build (permits); how to build (building code); and how much revenue they require (taxes, fees and amenities.)
- The cost of any manufactured product is paid by the end-user. Taxes, fees, delays, regulations are paid by the homebuyer.
- Study of 12 cities by economist Evan Mast called *The Effect of New Market-Rate Housing Construction on the Low-Income Housing Market*.
- Mast says housing is an ecosystem of migration chains impacting all price points. When new housing supply is disrupted by fees and regulations, lower-priced homes and rentals are less available.
- Simply building government subsidized housing will not solve the affordability problem. The resources available are nowhere near the scope of the challenge.
- Local governments can help create more housing affordability by removing unnecessary hurdles and costs.



Thank you!

For more information, contact vrba.ca