DISTRICT OF OAK BAY

PREPARED FOR:	Council
FROM:	Andre Boel, Director of Community Building and Planning and Brian Green, Deputy Director of Community Building and Planning Services
MEETING DATE:	November 20, 2023
SUBJECT:	Provincial Housing Directives

RECOMMENDATION(S)

THAT the report titled "*Provincial Housing Directives*", authored by Andre Boel, Director of Community Building and Planning and coauthored by Brian Green, Deputy Director of Community Building and Planning Services, dated November 20, 2023 be received.

That the Committee of the Whole recommend to Council:

THAT $2,000,000 from previously unallocated Growing Community Fund be directed to completion of projects necessitated by new Provincially Directed/Triggered Housing Projects;

AND THAT $475,000 of Growing Community Fund previously allocated to the following Council Priority Projects:
- Initiating Response to Homes for People Plan/Legislative Changes,
- Streamlining/Optimization Study & Digitization, and
- Village Areas Plan (GCF portion only)

be redirected to completion of projects necessitated by new Provincially Directed/Triggered Housing Projects.

EXECUTIVE SUMMARY OF REPORT

On September 26, 2023 the District and 9 other BC municipalities received a Housing Target Order from the Provincial Minister of Housing. This Order identifies the amount of new housing units that the Province is requiring the District to facilitate being constructed within the next 5 years. The Housing Target Order sets out the total five-year housing target of 664 units to be completed by September 30, 2028 and annual cumulative housing targets, housing targets performance indicators and progress reporting dates.

In November 2023, the Province introduced a range of new legislation to implement the Homes for People Plan. These changes articulate very specific solutions to create housing options which require Official Community Plan and Zoning Bylaw changes in short order by all affected municipalities.

The recently announced Provincial initiatives will now require the District to pivot and reprioritize projects to ensure legal compliance, and implementation of the Provincial

legislation. The Province is effectively mandating their housing program become the District's top priority for the next 2 years by requiring certain work to be completed by June 2024 (Small Scale Multi Unit (SSMU) Zoning changes), by December 2024 (Housing Needs Report) and by December 2025 (Updated Official Community Plan and Zoning Bylaw changes) respectively. The changes are of a nature that pre-empt most of the District's planned housing initiatives.

Given the extensive work required over a very short time frame, staff is recommending all remaining unallocated Growing Communities Funding be allocated to addressing the new legal requirements.

BACKGROUND/HISTORIC CONTEXT

Following the 2022 municipal election, Council continued to have Housing as a key priority theme area for the 2022-2026 term. The District has undertaken foundational work towards advancing Council's Housing priority. The following Council Priority Projects (CPP) were identified to deliver new housing options:

- Housing Action Plan (CPP #1)
- Rental Housing Strategy (CPP #2)
- Secondary suite incentive program (CPP #4)
- Infill housing implementation program (CPP #5)
- Village Areas Planning (CPP #9, 16), and
- Development Service Optimization and Digitization (CPP #59)

In addition, anticipating Provincial announcements, Council had also identified the following project:

- Initiate administrative and policy changes in response to legislative changes by the Provincial government as part of the BC Homes for People Action Plan (CPP #60)

The recently announced Provincial initiatives will now require the District to pivot and reprioritize projects to ensure legal compliance, and implementation of the Provincial legislation.

Housing Target Order

On November 24, 2022, Bill 43 – 2022 the *Housing Supply Act* received Royal Assent and came into force by regulation on May 31, 2023. This legislation enables the Province to set housing targets for individual municipalities, and to take certain actions if those targets are not met.

On May 31, 2023 the Province announced the first cohort of 10 municipalities selected for housing targets. The Province notified the District that it had been selected as part of the first cohort of municipalities.

On June 12, 2023 at a Regular Council meeting, Council received a staff report titled "*Housing Supply Act* – Notice of Housing Target Assessment.

On August 15, 2023 the District received its draft Housing Target Order and was provided with 30 days to respond to the draft order. The District formally responded to the draft order on September 14, 2023. (Attachment 1).

On September 26, 2023 the District formally received its Housing Target Order from the Ministry of Housing. (Attachment 2).

Homes for People Mandate

On April 3, 2023 the Minister of Housing unveiled the Homes for People housing action plan with a stated goal to deliver more homes for people, faster. Other communications from the Province hinted at substantial changes to follow in the fall related to a potential requirement of allowing multiple units on existing single-family parcels.

On November 1, 2023 the Province announced further details with respect to the Homes for People Plan legislation that introduced a requirements for small scale multi-unit housing zoning and proposed changes to the *Local Government Act* through Bill 44 Housing Statutes (Residential Development) Amendment Act, 2023.

Other announcements regarding Short Term Rentals (STR), a new tool called Amenity Cost Charges (ACC) to replace Community Amenity Contributions (CACs) and changes to the Development Cost Charges (DCC) mechanism, and density targets for Transit Oriented Development areas were separately announced in early November.

With the new legislation, the Province will be exercising new powers: instead of giving local governments authority to make and enforce land use management rules for their communities, it is now imposing very specific requirements on how that authority must be exercised.

ANALYSIS

1. Housing Supply Act

The *Housing Supply Act* allows the Province to impose substantive and procedural requirements upon municipalities assigned housing targets. Municipalities are required to provide information and reports to the Province, and where they fail to meet prescribed housing targets, the Province has established new powers to prompt compliance. The first is to appoint advisors with broad jurisdiction to review municipal records and create a report with recommendations for meeting the housing target in the future. Alternatively, or as well, the Province can directly intervene in a municipality's bylaw-making and permit-issuing powers.

The *Housing Supply Act* empowers the Province to intervene in matters that have in recent history been entirely within the jurisdiction of local governments, for the purpose of achieving provincial housing goals. All communities are expected to speed up local processes and the Province will monitor progress and follow up as they deem appropriate. With the *Housing Supply Act,* the Province can now also enact new bylaws or issue or refuse permits under the *Local Government Act*, and *Community Charter*.

2. Housing Target Order

After the May 31, 2023 announcement District staff were invited to a series of information meetings with Ministry of Housing staff throughout the summer, at which Provincial staff presented the information they used to determine the housing needs for the District. In August, Council was allowed to review and comment (Attachment 1) on the draft order, and subsequently the Housing Target Order for Oak Bay (Attachment 2) was issued on September 26, 2023.

The Housing Target Order for the District has been set at 75% of the Province's total estimated Oak Bay housing need which equates to a total of 664 units. The housing target is the minimum number of net new units to be completed for occupancy within 5 years of the date of the Target Order.

The Province has provided annual targets for the net new number of completed housing units. These will be measured annually and cumulatively, with expectations gradually increasing. The 75% target of 664 housing units completed (occupancy permits issued) are phased with the following cumulative yearly progress goals:

- Starting with 56 by year 1 (2024),
- 138 unit by year 2 (2025),
- 258 units by year 3 (2026)
- 429 by year 4 (2027) and
- Achieving a total of 664 units by year 5 (2028).

Until now, the District has not monitored occupancy permits, or net new dwelling units, but rather recorded Building Permits issued. 2023 building permits issued for new residential dwelling units including both gross and net new residential unit numbers are showing 30 net new units (predominantly secondary suites) receiving Building Permit approval. Whether this will translate into reaching the first milestone of 56 units completed by the end of the first reporting period on September 30, 2024 remains uncertain.

The Housing Target Order is accompanied by a letter (Attachment 3) from the Minister of Housing that sets guidelines for units by tenure (owned, rented), size (studio/one bedroom, to bedroom, three bedroom), and affordability (below market and market). The guidelines also set expectations for supportive housing units.

Currently, the District's regulations and processes don't specifically manage or monitor tenure, bedrooms or affordability. The Housing Target Order will necessitate significant changes to policies, regulations, and processes to ensure the targets can be met by tracking, reporting, and adjusting programs where needed.

Evaluation and Reporting
The Housing Target Order requires reporting on units created and on various timing and performance indicators. The District will be required to submit a 6-month report followed thereafter by annual reports. Housing progress reports must be received by Council resolution within 45 days after the end of each reporting period as set out in Schedule C of the Order.

Number in Housing Pipeline
Another indicator the Province will review is related to details about development and building permit applications made and the related number of units going through the approval process.

Days for Approvals
Similar to the pipeline analysis, the Province also intends to review the time it takes for development applications and building permits to make it through the approval process.

Other

In addition to the metrics discussed above, the Province is prepared to consider other type of progress towards realizing the Housing Targets, given that the District does not act as a developer and is only able to set policy and regulations to enable new development. Changes to land use policy, regulations and increases in allowed density may be included in the reporting to demonstrate progress.

Provincial staff have indicated that the extent to which the District uses Growing Community Fund grants to support housing will also be considered in the Province's evaluation of District progress.

If targets are not on track to be met, reporting requirements extend to providing an overview of actions planned in the next 2 years to achieve the targets.

3. Homes for People Plan Legislation Highlights

In November 2023 the Province released new programs and requirements as part of the Homes for People Plan with a province-wide required housing program and other housing related changes to the *Local Government Act* and other legislation

Small-Scale Multi-Unit housing program

SSMU Housing (Attachment 4) refers to a range of buildings and unit configurations including secondary suites / accessory dwelling units (ADU) in single family homes or duplexes, detached garden suites or laneway homes, triplexes, townhomes; and house-plexes. The SSMU is intended to apply within Urban Containment Boundaries and municipalities over 5,000 people, which includes Oak Bay. A policy manual will be released immediately after the SSMU regulation is finalized to support local governments in implementing bylaw changes. The manual will convey provincial expectations for setbacks, height restrictions, parking and lot coverage.

SSMU Housing Program proposed legislation and forthcoming regulations include the following:

- Local governments must allow for at least 3 to 4 units on lots currently zoned for single-family or duplex use depending on lot size: lots less than 280 square metres / 0.0692 acres - 3 units; lots greater than 280 square metres - 4 units.
- Local governments must allow for at least 6 units on larger lots (greater than 280 square metres / 0.0692 acres) currently zoned for single-family or duplex use and close to transit stops with frequent service.

Oak Bay has 5609 parcels with single family zoning and almost all parcels would be required by the new legislation to be made eligible for the above-mentioned housing options.

Planning for 20 year Housing Needs

In addition to the above-described SSMU program, changes to community planning practices for housing require updating the Housing Needs Report followed by a mandatory Official Community Plan and Zoning Bylaw to designate and pre-zone enough land to meet housing needs for 20 years.

Other topics

In addition, other Provincial announcements have been made with new legislation for:

- Short term rentals. This proposed legislation focuses on three key areas:
    - increasing fines and strengthening tools for local governments;

    - returning more short-term rentals to long-term homes; and
    - establishing provincial rules and enforcement.
- Transit Oriented Development areas. The proposed legislation will require municipalities to designate Transit Oriented Development Areas (TOD Areas) near transit hubs. These TOD Areas are defined as land within 800 metres of a rapid transit station (e.g., SkyTrain station) and within 400 metres of a bus exchange where passengers transfer from one route to another
- Amenity Cost Charges and Development Cost Charges. New and updated financing tools for infrastructure and community facilities related to growth. (see further below)

Given the recency of these announcements and the lack of detail provided at the time of writing this report, staff have not yet had an opportunity to review the full details and impact on the District.

4.Homes for People mandated projects

Responding to the Housing Target Order and to the recently announced legislative changes as part of the BC Homes for People Action Plan will supersede previously anticipated Council Priority Projects. The bulk of the work is required to be completed in 2024 and 2025. Each of these initiatives are outlined below and further outlined in Attachment 5 and 6:

72. Update Zoning Bylaw for Small Scale Multi-Unit Housing Program (CPP#72)

This requirement effectively pre-empts the District's planned Infill Housing Program. Staff were due to issue a request for proposal (RFP) for Infill Housing to select a consultant to undertake the third phase and implementation of this program. Some of the same steps planned for Infill Housing will be required to implement the SSMU program. Given the complexity of the District's Zoning Bylaw this is an ambitious timeline to implement by the end of June 2024.

73. Update the OCP for Small Scale Multi-Unit Housing Program (CPP#73)

In addition to the Zoning Bylaw changes for SSMU, the Official Community Plan is anticipated to need to be reviewed and updated to align with this program. Staff is awaiting confirmation from the Province as to whether an exception to the requirement for the zoning bylaw to align with the OCP for the SSMU changes specifically will be provided.

74. Interim Housing Needs Report (CPP#74)

The Province is requiring the District to complete an interim Housing Needs Report (HNR) by December 31, 2024. Proposed changes to the HNR including using a standard method for a more consistent, robust understanding of existing local housing needs and extending the horizon of the report to cover housing needs for the next 20 years.

75. Complete Mandated Five-Year Review of OCP (CPP#75)

The Province is requiring municipalities to have an updated OCP by December 31, 2025. Proposed changes for OCPs include a mandatory update every five years with public engagement, to forecast homes and growth over 20 years, rather than five, and to include policies that address a wider range of housing types (e.g., affordable housing, rental housing, and housing for families).

The Province envisions the OCP review to be the main opportunity for the public to engage on housing and land use planning matters. Public interest could be therefore be increased as public input is front loaded into the planning process. Staff anticipate that the resource requirements for this process will be very high. Furthermore, the consultant availability to assist will likely be low given how many communities have just been assigned this task.

76. Complete Mandated Pre-Zoning to implement updated OCP (CPP#76)
In tandem with the updated OCP, the Province is also requiring that the Zoning Bylaw be updated to accommodate the planned 20 year housing supply in order to move away from site by site rezoning or spot zoning and these changes are required to be in place by December 31, 2025.

The proposed changes including moving away from site-by-site rezoning (spot zoning) to expedite the approval process.

77. Prepare Tracking Program (CPP#77)
The first report is due on March 31, 2024 and subsequently reports are required yearly with the last report anticipated for September 30, 2028. Leading up to the first required report, tracking and monitoring systems need to be expanded to start recording the metrics required by the Province. Over time, there will be a limited but on-going need for staff to continuously report, track and update any changes to planned, in-stream and constructed housing projects.

In addition, the Progress Reports are required to be made available to the public. Building on this requirement, staff intends to communicate on an on-going basis on the Target Order progress and the Homes for People implementation efforts.

78. Optimize Development Processes (CPP#78)
This project would review and provide recommendations for streamlining, enhancing, and modernizing development review processes and systems.

79. Responding to increased development interest (CPP#79)
Actioning the above-listed requirements within the set timelines triggers the need for the District to mobilize substantial resources for implementation and to respond to an already noticeable increase in development interest.

80. Prepare Amenity Cost Charge and Development Cost Charge Programs (CPP#80)
The Province has acknowledged a long-standing need from municipalities to have better cost recovery mechanisms for community infrastructure and facilities expansion in response to growth.

To support a shift from negotiating contributions through rezoning the Province is requiring municipalities to update or implement Amenity Cost Charge and Development Cost Charge Programs based on prescribed methodologies.

81. Reservation for yet-to-come housing projects mandated by the Province (CPP#81)
It is anticipated that over time the Province might issue additional mandates related to housing or in response to Housing Target Order progress reports submitted.

5.Implications of the new Provincial mandate

The Provincial requirements impact planned Council Priority Projects particularly in relation to the District's own housing initiatives. It is clear that the Housing Target Order along with the Homes for People Plan will have significant staff resource implications, in particular over the next 24 months. These implications will require the District to pivot from Council Priority Projects contemplated prior to Provincial announcements.

Mandated and triggered project scope elements

Staff have developed a high-level scoping table showing the Provincial mandated projects in Attachment 5 and 6. Some project elements are required under the new legislation, others are triggered and reflect related project elements that staff had initially planned to include in Project Backgrounders for the District's planned housing projects. Council has the opportunity to review or prioritize these scope elements within the limits of the Provincial requirements.

Increased development interest ahead and following new programs

The Housing Target Order and Homes for People Plan require the District to update its regulatory policy framework to identify, designate and zone new sites for additional housing.

Developers and property owners will not wait for the regulatory policy framework to be put in place. Staff are already experiencing increased requests for pre-application discussions relating to both potential infill and multi-unit residential projects.

Given there are limited sites identified in the OCP for new multi-unit residential projects, most applications for new multi unit residential development will initially still require an OCP amendment as well as a rezoning application. In the short run, this means an increase in development applications until OCP and Zoning Bylaw changes are made to allow most housing development without rezoning.

The District's ability to provide timely responses to development enquiries/pre-applications and expedited development application processing will be severely constrained without additional financial and staff resources. The response to Provincial requirement will need to include additional capacity to support interested parties and applicants navigate the new housing development opportunities.

Timeline and resourcing challenges

The Province's 2 year timeline is extremely ambitious and covers a range of work that would have normally taken at least 3 – 5 years for most municipalities. An added complication will be competition for limited resources for consultants and staff given that municipalities across the Province are faced with the same requirements and timelines.

This likely will result in the need for unconventional and fast-tracked processes that will showcase a radically different approach to community planning than the consultation and consensus-based approach the District has taken in recent years. In addition, the vast scope of changes will require carefully planned change management efforts to ensure systems and staff are trained and prepared to support applicants and respond to new types of development applications.

In addition, the stated goal of the Province is to eliminate redundant processes and one-off public hearings that slow down housing projects that already fit with community plans. This has implications for when and how the community can provide input, putting more emphasis on the communty-wide OCP-level changes and less on individual development applications.

Related to this, the District has an opportunity to action previous elements of the plan to streamline and digitize development review processes.

Infrastructure, asset management renewal
Infrastructure will be impacted when more housing is added. A significant portion (valued at approximately $273.9M) of the District's water, sanitary sewer, storm and road assets are past their recommended useful life and are in poor condition. Council has provided strategic direction to address the District's infrastructure deficit by developing an asset management program, increasing annual reserve contributions to sustainable levels, increasing capital programming and prioritizing the development of a Comprehensive Asset Management Plan over the next three years followed by implementation over the next decades.

Further analysis will be needed to better understand the infrastructure and financial implications of accelerated and increased growth, as part of the mandated OCP review. The District should consider establishing cost recovery mechanisms such as a Development Cost Charge (DCC) Program to help ensure new development helps to pay its fair share of required infrastructure and community facilities.

Increased alignment between Housing Needs and Growth Management
Despite the above referenced challenges, staff do note that the changes regarding housing needs assessment and aligning the District OCP and Zoning Bylaw are important steps towards more effectively addressing the community's need for increased housing options.

Conclusion
The Province is mandating their housing program to be the top priority for the next 2 years throughout BC by requiring certain work to be completed by June 2024 (Small Scale Multi Unit (SSMU) Zoning changes), by December 2024 (Housing Needs Report) and by December 2025 (Official Community Plan and Zoning Bylaw changes) respectively. The changes are of a nature that pre-empt and accelerate the District's planned housing initiatives.

Through the Housing Target Order process the District has communicated a series of requests for support from the Province. In response, the Province has pointed at Growing Communities Funding, the upcoming funding allocation for all affected municipalities and the grant program called LGDAP (see also Financial Implications).

The scope and expedited timing of this work may require creation of a dedicated, time-limited project management team that would focus on updating and creating the District's Housing Delivery Program in response to the new Provincial requirements. The details for this will need to be reviewed further and Council may request a more detailed plan for the work beyond the changes required to be implemented by June 30, 2024.

Given the extensive work required over a very short time frame, staff is recommending all remaining unallocated Growing Communities Funding be allocated to addressing the new legal requirements. A high-level review of financial resources needed to resource staff and consultant support add up to approximately 2.5M. Attachments 5 and 6 provides preliminary project background information on the mandated projects and a separate upcoming report from Strategic Initiatives will reflect on the changes in relation to other Council Priority Projects.

OPTIONS

1. THAT the Committee of the Whole receive the report for information and recommend that Council allocate remaining GCF funding for a response to the Provincial Housing Mandate. **(Staff Recommended).**

2. THAT the Committee of the Whole recommend that Council provide alternate direction to staff.

COUNCIL PRIORITY SUPPORTED
Housing

FINANCIAL IMPACT
The Housing Target Order process this summer was responded to outside the scope of a formal project. A staff team comprised of the CAO and the leadership of the Community Building and Planning Services and the Strategic Initiatives Departments have participated on the District's Housing Targets Team and supported the provincial process. This required redirection of resources away from Council Priority Projects.

Moving forward, the implementation of the Provincial Housing Directives will place a major claim on the District's financial and staffing resources. Below the potential funding sources are discussed.

Infrastructure and Community Facilities Cost Recovery
On the one hand new housing units will expand the property tax base, and a higher density of housing might lower infrastructure costs per household. On the other hand, new housing units could trigger a need for additional infrastructure and community facilities. Approving additional housing units without being able to recover associated infrastructure costs poses a financial risk. This risk can be mitigated if cost recovery mechanisms are in place before new development takes place.

A significant portion (valued at approximately $273.9M) of the District’s water, sanitary sewer, storm and road assets are past their recommended useful life and are in poor condition. Council has provided strategic direction to address the District’s infrastructure deficit by developing an asset management program, increasing annual reserve contributions to sustainable levels, increasing capital programming and prioritizing the development of a Comprehensive Asset Management Plan over the next three years followed by implementation over the next decades.

The Province’s expanded options for DCC's and requirement for an ACC Bylaw may offer improved financing mechanisms to support this. That said, updating and

establishing cost recovery mechanisms will requires significant effort especially given the fact that the District has never had a DCC bylaw.

Provincial Support Homes for People Implementation
Funding of $51 million has been promised to be distributed across all local governments throughout BC to implement these changes. For the District this will likely result in a relatively small amount of funding being made available.

Housing Accelerator Fund grant application
On July 31, 2023 Council received a staff report on the Housing Accelerator Fund application and Council directed staff to submit a grant application to this fund. The District's application is primarily based on accelerating Council's existing housing related projects with more funding and resources to deliver those initiatives more quickly.

If the District were to be approached by CMHC, staff would explore how an approved grant for the proposed HAF Housing Action Plan can best be aligned with new Provincial legislated requirements. A response on the District's application is expected before year end.

Local Government Development Approvals Process funding (LGDAP)
To support implementation, the Province has indicated it will assist local governments in speeding up local approval processes and amending zoning bylaws through a second, competitive intake to the Local Government Development Approvals Process (LGDAP) grant program, as well as through their own work to accelerate and streamline provincial permitting across multiple ministries using a new digital permitting process that is already underway.

Staff will monitor announcements from the Province on new funding announcements (anticipated sometime in 2024) and will update Council accordingly on new grant funding that the District may be able to apply for.

Growing Communities Funding
The Province has consistently pointed to the Growing Communities Fund (GCF) as its key investment in housing. The principal objective of the GCF is to increase the local housing supply with investments in community infrastructure and amenities and the fund can be used for both operating (including staffing) and capital projects within eligible categories.

The District received $4,773,000 in Growing Communities Funds earlier this year, and on May 8, 2023, allocated $2.75M to five initiatives as outlined below – the remaining/unallocated amount of GCF is $2,023,000.

- North Oak Bay Pump Station - $1,000,000
- Active Transportation Network - $750,000
- Public Safety Building (Feasibility Study) - $100,000
- Playgrounds - $200,000
- Housing-Related Initiatives $700,000 ($225K for previously approved Council Priority Projects; $150K specifically for the Village Area Plans; $225K for process

optimization & digitization; $100K to initiate response to Provincial legislative changes / BC Homes for People Action Plan)

In addition, at the October 23, 2023 Council meeting, Council approved an additional $185,000 to fund a complete loop trail system an additional boardwalk at Uplands Park. Approval of recommendations contained within this report would utilize almost all remaining growing communities fund. Therefore the Uplands loop trail project would need to be funded by another source such as the Capital Works Reserve. Staff would bring forward funding options in the 2024-2028 Financial Plan for the Uplands loop trail project.

Given the number and extent of Provincial legislation changes over the last months, consideration of the allocation of the Growing Community Fund needs to be considered in light of the required work. Council could fund the work required by the Province with the provincial funding made available for housing and infrastructure. If other funding sources do become available, then GCF funding could potentially be re-directed to other priorities.

Long term implications
The increased frequency in required OCP Updates means that the District needs to budget for the next OCP update soon in an upcoming 5 year plan. Although the first required update could be funded from Growing Communities Funding, future 5-yearly updates have no earmarked funding source yet and may need to be funded through taxation.

The impact of the Provincial Housing Directives on core operating costs is not addressed by the recommendations within this report. For example, the directives are expected to increase resources required to process an increased volume of land use applications that will need to be funded by an ongoing funding source such as property taxation or development application fees. The District will analyze these financial resourcing needs further once more details are known.

IAP2 FRAMEWORK ENGAGEMENT

☒ INFORM ☐ CONSULT ☐ INVOLVE ☐ COLLABORATE

The Province has not allowed for general input from the public or municipal Councils regarding their new housing requirements.

In terms of local engagement, the District's opportunity to seek community input on the required changes will likely be limited. The Province is mandating housing production leading to significant growth and is outlining the mechanisms to deliver on that. The District's role and opportunity for community input (including Advisory Bodies review) will be limited to implementation details, within Provincially set parameters.

TIMELINE/PROCESS/NEXT STEPS

Responding to provincial directives will require significant resources and efforts in very limited time. With approved GCF funding this work can be started with the aim of putting forward best efforts for meeting the first upcoming deadline of June 30, 2024.

Council will receive housing progress reports, per provincially-established timelines. In addition, staff would return to Council with the required bylaw amendments, and potentially briefing notes for other matters that require direction. In the short term however, staff will focus on the implementation of the Housing Target Order and SSMU program first without delay.

Council will be responsible for reviewing and approving OCP and Zoning Bylaw changes triggered by Provincial directives. These bylaw amendments will be advanced on timelines intended to deliver on Provincial deadlines.

Respectfully submitted,

Andre Boel, Director of Community Building and Planning
Brian Green, Deputy Director of Community Building and Planning Services

With respect to the Financial Impact described in this report, I concur with the staff recommendation.

Christopher Paine

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Christopher Paine, Director of Financial Services

Reviewed and approved by the Director of Corporate Services.

Chris Coates

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Chris Coates, Director of Corporate Services

I have read and consider staff's recommendation to be supportable for Council's consideration.

Selina Williams

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Selina Williams, Chief Administrative Officer

ATTACHMENTS(S):
Attachment 1 - Response to Draft Housing Target Order
Attachment 2 - Housing Target Order
Attachment 3 - Letter Minister and Housing Guidelines
Attachment 4 - SSMU Housing and Other Changes - Ministry of Housing
Attachment 5 - Provincially Directed Housing Projects
Attachment 6 - Housing Projects Tentative Scope

September 14, 2023

The Honourable Ravi Kahlon, Minister of Housing
Via email to: HOUS.minister@gov.bc.ca

RE: Proposed Housing Targets for the District of Oak Bay

Dear Honourable Minister,

I am writing on behalf of Council to provide comments on the proposed housing targets for the District of Oak Bay. Thank you for the opportunity to provide a response on this important matter. Council very much appreciates and agrees with the need to take urgent action to address the housing crisis. This challenge is indeed a formidable one, requiring strong leadership, commitment, collaboration, partnerships, and innovation across all levels of government. Oak Bay stands ready to play our part as a committed local government partner, within the *BC Community Charter* principles of municipal governance and municipal-provincial relations.

The District is encouraged by the relatively close alignment between the proposed 75% Housing Target Order of 664 net new units and the District's own 2020 Housing Needs Report, which identified a very similar housing need for a total of 647 units. At the same time, any municipality's ability to achieve the targets set out for them within five years will be impacted by local constraints, challenges and opportunities that must also be taken into consideration. Our response sheds light on the local conditions shaping the housing crisis and our capacity to achieve the Housing Target Order in Oak Bay, identifying 12 key requests of the Province to support the District in meeting your expectations.

Recognizing that the primary role of local governments is to set the policy framework and process development applications for new housing, Oak Bay continues to take a sustainable approach to community planning that seeks to address the local constraints and opportunities, the needs of those living here today, and those of future generations. Housing is one of six (6) key Council priorities selected to meet the needs of current and future residents. Housing-related projects to be advanced during the current term (2022-2026) seeks to build on the significant work and achievements of the previous Council, which included implementation of a secondary suites program and development of an infill housing strategy after extensive community consultation.

Housing-related projects that Council has committed to delivering for the community this term include:

1. implementation of an Infill Housing program;
2. development of an incentive program for secondary suites;
3. streamlined, digitized development application processes;

4. preparation of a Housing Action Plan;
5. development of a Rental Housing Strategy; and,
6. preparation of Village Area Plans applying a housing opportunities lens within existing village commercial nodes.

The District has submitted an application to the federal Housing Accelerator Fund (HAF) to significantly accelerate and enhance these projects with a potential injection of approximately $4 million in federal funding; however, as a built-out and primarily single-family residential community, Oak Bay will struggle to compete with faster-growing communities that have vacant land and/or sites suitable for redevelopment that can accommodate the type of larger-scale housing projects that will score most favourably under the HAF program.

A similar concern exists for us with the proposed housing targets for Oak Bay. While we agree that there is value in setting targets, the approach taken by the Province to date has been based primarily on housing *need* and does not fully consider the varied *capacity* of municipalities to address the need. Municipalities throughout the province are impacted by the same housing crisis, but the pressures, constraints, and opportunities in each are as individual as the communities themselves. One of the *Community Charter* principles that guides the relationship between municipalities and the Provincial government in BC is respect for the varying needs and conditions of different municipalities in different areas of British Columbia.

Local conditions in Oak Bay that challenge our capacity to achieve the provincial housing targets include:

Land Availability

- very limited vacant land available for development;
- no industrial or large commercial lands suitable for more intensive redevelopment;
- generally high-priced smaller lots containing well-maintained buildings with significant lifespan which are therefore relatively expensive to land assemble or re-develop;
- limited property-owner interest in re-development; and,
- no significant current land assembly (multiple adjoining parcels under same ownership).

Infrastructure

- As one of the first municipalities in BC, Oak Bay has some of the oldest infrastructure in the province. According to the District's award-winning Sustainable Infrastructure Replacement Plan, a significant portion (approximately $273.9M in 2021 dollars) of the District's water, sanitary sewer, storm and road assets are past their recommended useful life. The recent $4.7M Provincial Growing Communities Fund contribution provides a welcome but relatively small contribution to this work.
- The leading infrastructure planning work that Oak Bay has completed to date is based on slower, more incremental growth, and will therefore need to be re-examined and adjusted within the context of the Housing Target Order, with required accelerations and/or enhancements necessitating further cost increases for our residents. Similar preparations

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and adjustments need to occur at the regional and senior government levels to ensure the provision of critical infrastructure and services, such as regional water supply and wastewater treatment systems, emergency management, transportation, education, and healthcare.

- To put the infrastructure challenge in context, Oak Bay's annual property tax revenue is $30M. As municipalities are not allowed to run deficits, the process underway to address our infrastructure deficit necessitated a 9% tax increase in 2023. Further compounding tax increases will be required in future years, which will have a significant impact on local taxpayers, many of whom are on a fixed income. Notably, these increases are just to *replace* infrastructure supporting those living in our community *today*. They do not begin to address enhanced infrastructure and additional amenities and services required to support a *growing* community.

Resourcing / Capacity

- As a primarily residential community built out decades ago, Oak Bay has not been faced with growth in recent history. In fact, it was only in 2015 that the municipality hired its first planner and began advancing community planning and housing-related initiatives. The District is not at the same starting point as larger municipalities with long-established planning departments and will require time to create the policy frameworks, programs, bylaws, administrative systems and staffing capacity necessary for applications to come forward and housing units to be approved. This work has been initiated through Council's priority projects, and will eventually lead to significant new housing development, albeit not at a pace that would allow us to comply with the Housing Target Order; and,
- As a small community (the smallest in the first cohort by a significant margin), Oak Bay does not have the same in-house expertise and access to technology as larger municipalities.

Oak Bay's capacity to rapidly deliver more housing is also heavily impacted by broader factors that have exacerbated housing supply and affordability issues throughout BC and across Canada, including labour scarcity, rapidly increasing construction costs, and increasing interest rates.

Opportunities

At the same time, local conditions that present potential opportunities to grow housing in Oak Bay include:

- A committed municipal partner that recognizes the need and wants to play a role in developing solutions within its mandate, as evidenced through the Council priority projects for the 2022-2026 term;
- An engaged community that recently expressed a high level of support for the principles and directions outlined in the draft Infill Housing Strategy as presented to Council in June 2022, as evidenced through their unprecedented participation in community engagement opportunities, including 1622 survey responses;
- A small but supportive, experienced and innovative staff team that welcomes opportunities for collaboration and partnerships;
- Relatively close alignment between the proposed (75%) housing target of 664 units and the District's 2020 Housing Needs Report that identified a similar housing need of 647 units;

- Shared openness at the Council and staff levels for joint or Provincial initiatives that would help the District achieve the targets, including legislative changes, site-specific feasibility studies, land assessments and mapping exercises within Oak Bay; and,
- Advancing development of the UVic lands within Oak Bay could provide significant housing potential. It is the District's understanding that this is not a currently viable priority for UVic, so advancing this initiative would benefit from support and guidance from the Province.

Partnering with Local Government

While municipalities can reasonably be held to account for putting in place appropriate policy frameworks and development application review processes (i.e. setting the conditions), they do not have all the controls necessary to guarantee construction of new units, nor do they have the legislative responsibility, financial resources or revenue tools to support significant investments in housing projects. In fact, according to the Federation of Canadian Municipalities, local governments are responsible for construction, operations, and maintenance of nearly 60 per cent of our nation's public infrastructure, yet only collect about 12 cents of every tax dollar paid in Canada. Without a significant change to this funding model, local governments can only play a relatively minor role in addressing the housing crisis, compared to senior levels of government. This underscores two other key principles of municipal-provincial relations in the *Community Charter* – first, that the citizens of BC are best served when, in their relationship, municipalities and the Provincial government acknowledge and respect the jurisdiction of each; and second, that responsibilities must not be assigned to municipalities unless there is a provision for resources required to fulfill the responsibilities. Without additional resources or a broader range of revenue tools, the primary role and responsibility of municipalities in addressing the housing crisis can only reasonably be expected to remain within current jurisdiction, which is focused on setting the conditions for housing construction.

In this sense, the District of Oak Bay respectfully requests that the Provincial government, through its target monitoring and compliance program, evaluate not just their progress toward housing construction (which they do not have full control over), but also - with equal weighting - their progress on those matters that <u>are</u> within the jurisdiction and control of local government – setting leading and consistent policy conditions and development application review processes. District staff would welcome the opportunity to collaborate as part of a local government working or advisory group to the Ministry of Housing (ideally expanding to involve the Ministry of Municipal Affairs as well) to identify leading policies, practices and programs that the Province could monitor as indicators of progress and compliance.

One opportunity that District staff have communicated to Provincial staff is the development of a common software program for development applications, similar to the Planning Portal that exists in the United Kingdom. In addition to saving money and staff time across numerous municipalities, having the same development application processing software used across the Province would benefit developers who often do business in several municipalities. Such software could also benefit the Province which could potentially have immediate access to more consistent data on

units under review or approved in each municipality and thereby reduce municipal reporting requirements. We understand that $51 million may be made available in the coming months to support municipal housing initiatives, including through the Local Government Development Approvals Program administered by the UBCM. Rather than requiring local governments to compete for funding through this program and then pursue separate software initiatives, perhaps a portion of these funds could be allocated to a common software project, yielding data access benefits for the Province while significantly speeding up development application processes throughout BC. Oak Bay anticipates that such software support would be especially valuable to smaller communities.

Other suggestions for initiatives that local governments could provide valuable insights and advice on through a working group include:

- establishing a template and consistent, province-wide methodologies/standards for developing or updating Housing Needs Reports; and,
- advising on other legislation updates, including changes to the *Local Government Act*, to address the housing crisis as part of established planning tools such as Official Community Plans and Regional Growth Strategies.

Again, while we agree that there is value in setting targets, we believe that BC communities will be best served if municipalities are primarily held to account for setting the conditions that are within their scope of control. Sustained and systemic change can be driven most effectively through collaboration. The Province of BC has an opportunity to make leading, lasting, meaningful change in true partnership with municipal governments province-wide, and Oak Bay would be pleased to collaborate with you on that front.

Proposed Housing Targets

The proposed housing targets for Oak Bay reflect 75% of the Province's total estimated need, requiring a minimum of 664 net new units. The District agrees that the methodology to determine the housing need is a sound approach and that the assumptions are reasonable – this is reflected in the fact that the District's own 2020 Housing Needs Report identified a very similar housing need for a total of 647 units.

One of the key barriers to Oak Bay being able to comply with the proposed 75% housing targets is the timeline for doing so - Provincial staff have clearly communicated that targets are achieved through the construction of new units ready for occupancy within five years, and that significant progress must be evidenced within shorter reporting timelines.

As referenced previously, Oak Bay is not at the same starting point as larger, faster growing communities with development-enabling policies, systems, staffing and resourcing in place. The District will require time to complete this work, as well as funding to support accelerated

implementation if the municipality's HAF application is not approved. Also, homeowners, developers, and non-profits alike follow a development process that typically takes between three and seven years, from project inception to completion. Below-market and supportive housing projects typically require partnerships between additional parties, adding to this overall timeline. Municipalities without a significant number of larger-scale development applications in the pipeline (i.e., approved / building permits issued prior to the start of the Housing Target Order program) will be hard-pressed to meet the housing occupancy targets set out by the Province, within five years.

Oak Bay currently has no large-scale development applications in the pipeline that would produce the results expected in the Housing Target Order. Therefore, while we agree with the reasonableness of the 75% target, we can say with certainty that the District will not be able to achieve the occupancy target within five years, especially given the community's unique land constraints, infrastructure needs, resourcing / capacity limitations and the host of macro-economic factors (outside of local government control) that are currently impacting housing supply and affordability issues across the nation. It is worth noting that achievement of the 75% target would be more feasible if measured by building permits issued, rather than occupancy, which would align with the Housing Accelerator Fund approach.

It is also important to note that some of the housing types specified in the proposed housing targets require senior government investments. Without private or senior government initiatives for below-market rental or supportive housing units, the District owns little to no land to initiate projects. District-owned lands are pre-dominantly used for community purposes such as parks and recreation centres, emergency services, and municipal services. Potentially expanding the use of these lands to include housing elements would require careful long-term planning and consultation with the community to ensure an appropriate level of public access (current and future) to spaces, services and amenities that foster community connectedness, livability and well-being. Taking parks as an example, demand for such will increase as the community grows and more residents are living in smaller housing units with no or limited private outdoor space.

Proposed Housing Targets, Monitoring & Reporting - Our Requests:

1. *That the Province amend the target monitoring and compliance program to evaluate not just their progress toward the housing targets (which they do not have full control over), but also - with equal weighting - their progress towards implementing a policy framework and development application process that supports housing growth.*

2. *That the Province revise Housing Target Orders to measure building permit issuances in addition to or instead of occupancy to mitigate what will likely be a key barrier for communities of all sizes with limited or no larger-scale developments in the pipeline.*

3. *That the Province re-engage with the District to jointly develop a revised timeline for the Housing Target Order that takes into consideration local constraints and opportunities, and*

recognizes that the timelines for the 141 below market units and 20 supportive housing units (excludes seniors housing) would rely on external funding and partnerships.

4. *For the associated progress reporting, the District requests that:*
    a. *municipalities be provided an opportunity to participate in the design of the reporting template, providing the Province with on-the-ground insights that will enhance the effectiveness of reporting; and,*
    b. *the reporting cycle be shifted to annual timelines (January to December) to avoid the administrative burden of a unique reporting timelines. Such a timeline will allow for alignment with Provincially prescribed annual reporting processes.*

5. *That the Province establish an advisory or working group of Ministry of Housing staff, local government professionals and representatives from the Ministry of Municipal Affairs to identify leading policies, practices and programs that the Province could require of municipalities as additional, primary indicators of progress and compliance.*

Housing Target Program & Consultation Process

The District of Oak Bay offers the following experiential observations and requests for related program improvements:

Municipal-Provincial Relations

As your Ministry moves forward with the first ten municipalities and works to onboard the next cohort, Oak Bay Council requests that the approach be re-grounded in the principles of municipal-provincial relations outlined in the *Community Charter*– the introduction of this important legislative framework in 2001 marked a fundamental shift in the relationship between our two levels of government, based on the principle of respect and recognition for communities and local government jurisdiction/decision-making. We note that the language in the *Housing Supply Act* requires the Minister to consult with municipalities, providing (at a minimum) a description of the Housing Target Order and an opportunity to provide comments. While the District appreciates the time that Provincial staff spent preparing and presenting to District staff over the summer, we know that local government could be a much more effective and equal partner to the Province; that if, given a chance, a parallel and truly collaborative process involving a local government advisory group working alongside Provincial staff could create more lasting, systemic change in communities of all sizes. In the end, our success will rely to a significant extent on our ability to work together and bring our very best efforts to the table.

Municipal-Provincial Relations - Our Request:

6. *That the Housing Target Order program and approach be re-grounded in the principles of municipal-provincial relations outlined in the Community Charter, specifically section 2 - Principles of municipal-provincial relations. This includes providing additional resources to*

enable local fulfillment of the newly assigned responsibilities necessitated by the Housing Target Orders.

Balancing Community Priorities

Responding to provincial Housing Target Orders (and to upcoming legislative changes as part of the BC Homes for People Action Plan) may require significant reprioritization of financial resources and staffing across several District departments. Without additional resources, the impact of this reprioritization would be significant, and would take away from Council's role and legislated duty in determining a balance of priorities to meet community needs and ensure delivery of core services. While the targets will help Council make progress on its housing priority, other priorities critical to the community will be compromised: Livability (essentially Infrastructure Renewal and Asset Management), Climate Change & Environment, Transportation, Diversity & Inclusion, and Truth & Reconciliation.

Oak Bay is probably not alone in that if the District's Housing Accelerator Fund application (which included a $4 million request to accelerate / expand housing initiatives) is not approved, the District will be looking to the Province to provide those resources, in accordance with the *Community Charter*, to enable local fulfillment of the newly assigned responsibilities and more broadly, to help maintain balance in support of other community priorities. On a related note, Council has allocated some funding from the Growing Communities Funding to increase capacity in support of housing initiatives – the remainder is likely to be allocated to Oak Bay's significant capital needs, in keeping with the main program objective to support the delivery of infrastructure projects to help enable community growth.

Balancing Community Priorities – Our Request:

7. *That the Province establish non-conditional on-going funding to municipalities to enable local fulfillment of the newly assigned responsibilities associated with the Housing Target Orders and BC Homes for People Action Plan throughout the complete lifecycle of both programs, respecting the principles of the Community Charter and the legislated duty of local elected officials to determine a balance of priorities to meet community needs and ensure delivery of core services.*

Openness and Transparency

The Provincial requirement for confidentiality throughout this process has been incredibly challenging in that it has precluded municipalities from engaging with the public on matters that will significantly impact residents. Meetings held only at the staff level prevented elected officials from directly participating in the conversation with the Province, and municipalities were further constrained in their ability to discuss the process with each other and/or with neighbouring local governments and First Nations. Moving forward, the District recommends that the Province not impose a requirement for confidentiality, and that the approach be revised to include

opportunities for elected officials to be directly involved in the conversation. We also strongly support the notion of a pro-active FOI release, to make public all meeting materials supplied by the Province to the first ten municipalities throughout the summer meeting process.

Openness and Transparency – Our Requests:

8. *That for future cohorts, the Province not impose a requirement for confidentiality, and that the approach be revised to include opportunities for elected officials to be directly involved in the conversation.*
9. *That the Province, through pro-active FOI release, make public all of the meeting materials supplied by the Ministry of Housing to the first ten municipalities throughout the summer meeting process.*

Information Sharing & Relationship Building

Another key principle of municipal-provincial relations outlined in the *Community Charter* is that consultation is needed on matters of mutual interest, including consultation by the Provincial government on proposed changes to Provincial programs that will have a significant impact in relation to matters that are within municipal authority. On several occasions throughout the meeting process, District staff were constrained in their ability to fully prepare for and participate in discussions as a result of information being provided at the last minute, or not at all. For local governments to be effective, respected participants in this process, it is critically important that meeting materials be provided in a timely manner and that reasonable requests for information be obliged without delay.

One such request that remains outstanding despite several attempts and follow-up reminders by District staff is for a copy of the full Selection Index and related analyses that the Ministry used to score and rank municipalities in order to make cohort selections. Oak Bay still wishes to receive this information, and it is likely that many other municipalities may wish to view it as well. This will enable municipalities to understand how their community ranks across the 10 indicators and to connect with colleagues in other jurisdictions that are experiencing success.

Information Sharing & Relationship Building – Our Request:

10. *That the Province provide the District with a copy, as requested, of the full Selection Index and related analysis that the Ministry used to score and rank municipalities in order to make cohort selections.*

Provincial Action to Explore Opportunities

As previously referenced, one of the key opportunities in Oak Bay is the openness of Council and

staff to ideas, suggestions and support from the Province that will help to enable municipal achievement of the Housing Target Order. We welcome Provincial support for the specific requests listed below, and would encourage ongoing, open dialogue with the District to explore opportunities.

Provincial Action to Explore Opportunities – Our Requests:

11. *That the Province engage with the District and the University of Victoria to help support the development of the University of Victoria's Cedar Hill Corner property.*
12. *That the Province provide the District with resources to undertake site-specific feasibility studies of the District's limited land options to evaluate potential for housing projects.*

In closing, we appreciate the opportunity to provide comments. Constructive partnerships with other levels of government will result in housing initiatives that will unite and strengthen our communities. The District of Oak Bay is convinced that a collaborative approach – one in which the Province works together with municipalities - will make BC a leader on the housing front and deliver results that are positive to the seventh generation and beyond. We look forward to receiving your reply, and to building a strong municipal/Provincial partnership in the years ahead, as we work together to address the housing crisis.

Sincerely,

Kevin Murdoch, Mayor
District of Oak Bay

cc:
Bindi Sawchuk, Assistant Deputy Minister: Bindi.Sawchuk@gov.bc.ca
Cimarron Corpé, A/Executive Director: Cimarron.Corpe@gov.bc.ca
Rebecca Penz, A/Director, Policy & Engagement: Rebecca.Penz@gov.bc.ca

PROVINCE OF BRITISH COLUMBIA

Ministerial Order No. M282

ORDER OF THE MINISTER RESPONSIBLE FOR THE

Housing Supply Act

WHEREAS

A. The minister has, prior to making this Housing Target Order, considered the information set out in section 3 (1) *Housing Supply Act*, SBC 2022, c.38, in relation to the Corporation of the District of Oak Bay (District of Oak Bay).

B. In accordance with section 3(2) and (3), *Housing Supply Act*, SBC 2022, c. 38, the minister has consulted with the District of Oak Bay regarding this housing target order.

C. The minister has:

   I. provided a description of the proposed Housing Target Order to the District of Oak Bay; and.

   II. in accordance with section 4(1), Housing Supply Regulation, B.C. Reg. 133/2023, provided the District of Oak Bay an opportunity to provide written comments to the minister.

D. An extension to the consultation period, if any, granted by the minister to the District of Oak Bay, pursuant to section 4(2), Housing Supply Regulation, B.C. Reg. 133/2023, has elapsed.

NOW THEREFORE Pursuant to section 2, *Housing Supply Act*, SBC 2022, c. 38, the Minister of Housing orders as follows:

1. A housing target order is made for the District of Oak Bay, effective October 1, 2023 (the "**Effective Date**").

2. The housing targets for the District of Oak Bay under this housing target order are set out in the attached **Schedule A** (*Housing Targets*).

September 23, 2023
Date

Minister of Housing

(*This part is for administrative purposes only and is not part of the Order*)

Authority under which Order is made:

Act and section: *Housing Supply Act*, S.B.C. 2022, c. 38, s 2

Other: Housing Supply Regulation, B.C. Reg. 133/2023

3. The performance indicators by which progress by the District of Oak Bay toward meeting each housing target is to be assessed are described in the attached **Schedule B** (*Performance Indicators*).

4. This Housing Target Order begins on the Effective Date and ends on September 30, 2028 (the "**End Date**").

5. The District of Oak Bay must prepare and submit a housing target progress report at the intervals set out in the attached **Schedule C** (*Housing Targets Progress Reporting*).

SCHEDULE A
Housing Targets

1. The five-year housing target for the District of Oak Bay is **664 Units**, which is the total minimum number of net new completed housing units required to comply with this Provincial Housing Target Order.

2. The above housing targets reflect 75% of the total Provincial Housing Needs Estimate for the District of Oak Bay.

3. For each Progress Reporting Period as set out in Schedule C, the net new number of completed housing units will be measured annually and cumulatively, as follows:
    a. Year 1: 56
    b. Year 2: 138
    c. Year 3: 258
    d. Year 4: 429
    e. Year 5: 664

SCHEDULE B
Performance Indicators

1. The performance indicators to measure annual progress toward achieving the housing target are set out in Table 1 and are based on:

a. Progress toward achieving the annual cumulative housing target; and
b. Actions taken by municipality toward meeting the annual housing target.

Table 1 - Performance Indicators

Category	Performance Indicator	Data to Measure
Annual cumulative housing target	Satisfactory progress to meet annual cumulative housing target, measured by completed net new housing units.	Total number of new completed housing units (minus demolitions) during the reporting period.
Actions taken by the municipality toward meeting the annual cumulative housing target	Satisfactory progress demonstrated by: 1. update of land use planning documents to align with housing targets; 2. adoption of policies and initiatives to meet housing targets; and 3. residential approvals complete and/or in progress that met or will meet housing targets.	1. Relevant information about updates to land use planning documents such as the Official Community Plan, Zoning Bylaw, Housing Needs Report, Housing Action Plan/Strategy (other documents, e.g., Strategic Plan) including date of last update, and related polices that align with achieving annual housing targets. 2. Description of new/amended bylaws & policies adopted to achieve housing targets. 3. The number of applications received and permits issued in relation to residential development such as development, building and rezonings.

SCHEDULE C
Housing Targets Progress Reporting

The District of Oak Bay must receive the progress report by resolution within 45 days of the end of the reporting period:

Reporting Period 1.1: October 1, 2023 – March 31, 2024
Reporting Period 1.2: October 1, 2023 – September 30, 2024
Reporting Period 2: October 1, 2024 – September 30, 2025
Reporting Period 3: October 1, 2025 – September 30, 2026
Reporting Period 4: October 1, 2026 – September 30, 2027
Reporting Period 5: October 1, 2027 – September 30, 2028

Progress Report Forms must be posted to the municipal website and submitted to the Minister as soon as practicable after being received.

BRITISH
COLUMBIA

VIA EMAIL

Ref. 61441

September 26, 2023

His Worship Kevin Murdoch
Mayor of the District of Oak Bay
Email: mayor@oakbay.ca

Dear Mayor Murdoch:

RE: Housing Target Order for the District of Oak Bay

Thank you for your letter of September 14, 2023, in response to the proposed Housing Target Order (Order). Thank you for feedback about the housing targets program. Your suggestions have been directed to Ministry of Housing staff for further consideration.

I have attached the Order for the District of Oak Bay effective October 1, 2023 (see Appendix A). The Order sets out the total five-year housing target to be met by September 30, 2028 and annual cumulative housing targets (Schedule A), housing target performance indicators (Schedule B), and progress reporting dates (Schedule C). The Order will be published on BC Laws and must also be published on the District of Oak Bay's internet site.

I want to thank your staff for working with the provincial team through the target-setting process and the commitment from the District of Oak Bay to address the housing crisis in your community. To address the housing crisis, strong action is required from all levels of government.

.../2

Office of the Minister of Housing

Website: www.gov.bc.ca/housing

Mailing Address:
PO Box 9074 Stn Prov Govt
Victoria BC V8W 9E9
Phone: 236 478-3970

Location:
Parliament Buildings
Victoria BC V8V 1X4
Email: HOUS.Minister@gov.bc.ca

In February 2023, the Province launched the $1 billion Growing Communities Fund, providing grants to every local and regional government to deliver infrastructure projects necessary to enable growth in their communities. In addition, the Province recently announced $61 million to support local governments in meeting new density initiatives, including updating Housing Needs Reports, Official Community Plans, and zoning and development finance bylaws. BC Housing's Community Housing Fund and other funding programs give consideration to non-profits, co-operative and municipal housing providers, and First Nations delivering housing in municipalities where housing need is significant. Together, these funding initiatives provide a foundation for local governments to move forward with the implementation of housing targets within their communities, as well as contribute to the wider goal of addressing the housing crisis in B.C.

Housing Targets
Housing targets set out in the Order reflect 75% of the Province's total estimated housing need for the District of Oak Bay. This is the minimum number of completed net new units to be delivered annually and cumulatively for the five-year period of the Order. The District of Oak Bay should strive to achieve 100% of the estimated housing need over the duration of the Order.

Appendix B includes the unit breakdown (size, tenure, unit affordability and supportive housing) as interim guidance for the District of Oak Bay. I encourage the District of Oak Bay to strive toward meeting and monitoring the unit breakdown to deliver the right type of housing needed in your community. The unit breakdown is currently not required but can be reported as supplemental information.

Progress Reporting
Housing target progress reports must be received by Council resolution within 45 days after the end of each reporting period as set out in Schedule C. As soon as practicable after receiving the housing target progress report, the District of Oak Bay must submit the report to the Minister and publish the report on its municipal website.

In addition to reporting on the net new completed units, the District of Oak Bay must also report on information about actions taken and progress toward meeting the housing target order (see housing target performance indicators in Schedule B). If a housing target has not been met, the District of Oak Bay must also report any planned actions toward meeting the housing target within the 2-year period following the report.

.../3

I appreciate Oak Bay's concerns about completions as the primary metric for measuring progress towards achieving targets. The Province is committed to measuring the targets against move-in ready housing (completions), however building permits will also be considered as part of the evaluation of municipal efforts to meet targets. In addition to assessing progress towards meeting a housing target, the Province may analyze market conditions, and other external factors, concerning housing development.

First Nations Engagement
Municipalities have an important role to play in Reconciliation, particularly with First Nations whose territory includes your municipality and Indigenous peoples living in or near your community. I strongly encourage the District of Oak Bay to frequently and meaningfully engage with First Nations on land use planning to ensure that increased housing supply is responsive to Indigenous housing needs and does not negatively impact on culturally and environmentally sensitive lands.

We appreciate your commitment to working toward our shared housing outcomes.

Sincerely,



Ravi Kahlon
Minister of Housing

Attachments:
Appendix A: Housing Target Order for the District of Oak Bay
Appendix B: Housing Unit Breakdown as Guidance for the District of Oak Bay

pc: Teri Collins, Deputy Minister, Ministry of Housing
Okenge Yuma Morisho, Deputy Minister, Ministry of Municipal Affairs
Bindi Sawchuk, Assistant Deputy Minister, Ministry of Housing
Tara Faganello, Assistant Deputy Minister, Ministry of Municipal Affairs
Selina Williams, Chief Administrative Officer, District of Oak Bay

Appendix B – Housing Unit Breakdown as Guidance for the District of Oak Bay

The following guidelines are based on 75% of the Province's estimated housing need by unit size, tenure, rental affordability, and rental units with on-site supports. Needs are estimated over a five-year timeframe between 2023 and 2028.

UNITS BY SIZE	GUIDELINE
Studio/One bedroom*	446* (1 Bedroom Minimum 183)
Two Bedroom	100
Three or More Bedroom	118

UNITS BY TENURE	GUIDELINE
Rental Units	246
Owned Units	418

Rental units: *Number of new rental units built in prescribed municipality, including purpose built rental and secondary rental (e.g., secondary suites, accessory dwellings, etc.).*

RENTAL AFFORDABILITY	GUIDELINE
Below Market	141
Market	104

Below Market: *Number of rental units which are at or below 30% of the local Housing Income Limits (HIL) per size.*

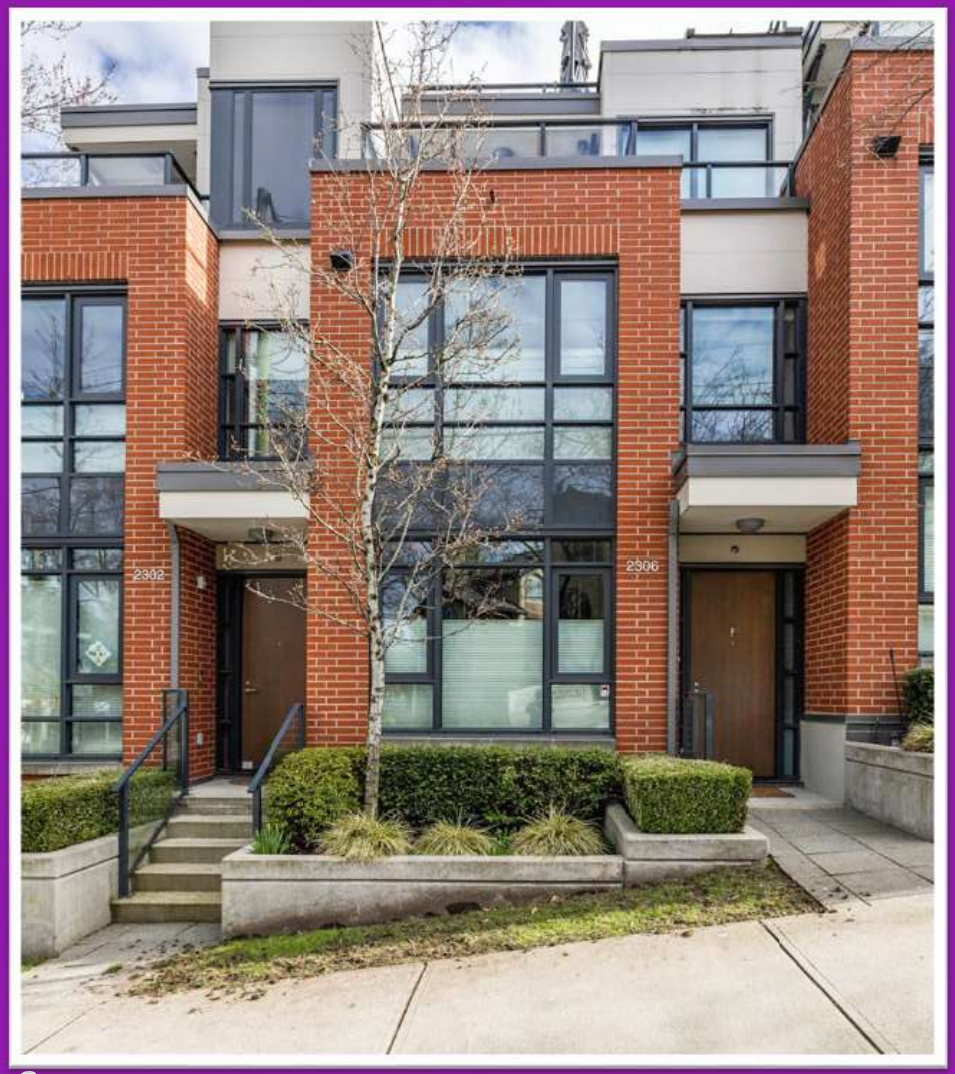
SUPPORTIVE RENTAL UNITS	TOTAL
With On-site Supports	20

Supportive rental units with On-Site Supports: *Number of below-market rental units with on-site supports to provide permanent housing for people to transition out of homelessness.*

Small-Scale, Multi-Unit Housing + Changes to Local Government Act Technical Briefing

Nov 1, 2023

Ministry of Housing

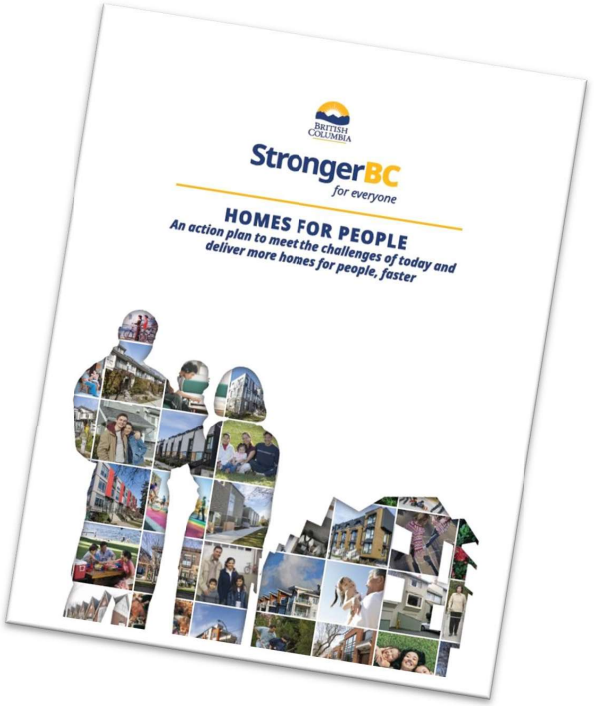


What we will cover today

- How historical zoning laws make it hard to build the homes people need
- Small-scale, multi-unit homes
  - What they are?
  - What has been done in other areas to create more of them
  - Why they are needed here in B.C.
- More proactive planning and zoning to help build more homes, faster.

Taking action to create more homes for people

- Changes brought forward today are part of the *Homes for People Action Plan* and, if passed, will help create more housing options that are within reach for people and fit well within existing neighbourhoods.
- The proposed changes will accelerate building homes in existing neighborhoods.
- We're also taking action to reduce the delays and limitations that hold back housing projects.
- We know we need more housing for people, that is why government is taking strong and thoughtful action.
- The intent of these changes is to help to deliver tens of thousands of new homes and provide the kinds of housing that families, seniors, young people and more need to stay in their home communities.



Building from a strong foundation

- Government has taken strong action since 2017 to deliver more homes for people, including:
  - Tackling vacant homes by introducing the Speculation and Vacancy Tax
  - Making historic investments and steps to deliver new homes

- In the spring, the Government introduced the ***Homes for People Action Plan*** designed to double-down on historic investments in housing and introduce new ways of creating more homes for people, faster.

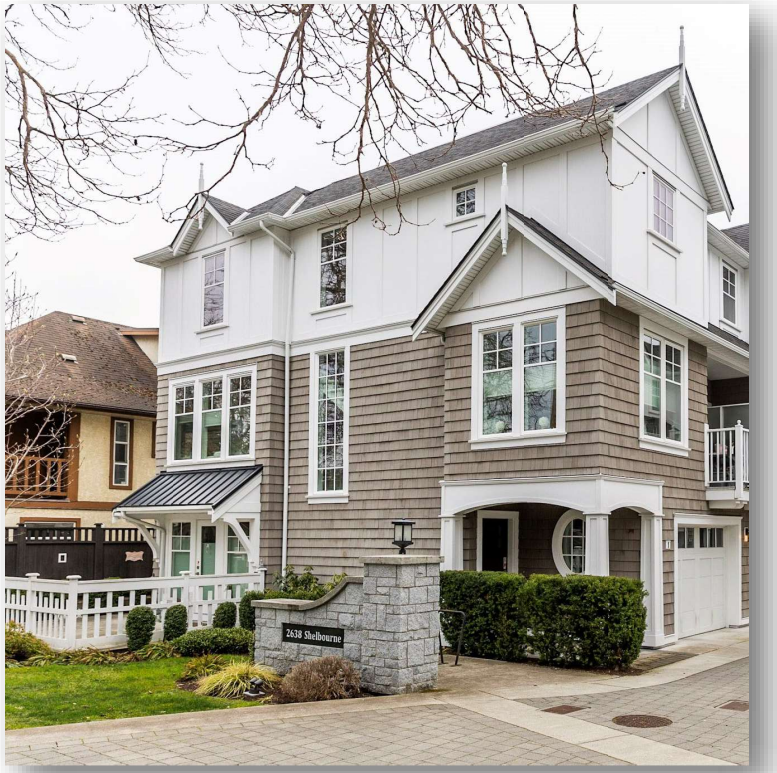
- B.C. has made real progress. To date, nearly **77,000 homes are open or on the way**, and **tens of thousands more to come**.

- Progress includes:

  - Introducing new short-term rental rules to turn more short-term rentals back into homes for people.
  - Continuing to take substantial action to increase supply and deliver homes that people can afford to rent or buy.
  - Working with municipalities to introduce housing targets to deliver more homes in communities with the greatest housing need.
  - Introducing and expanding the Speculation and Vacancy Tax to deliver more homes for people.
  - Freezing rent increases during the pandemic and capping increases over the last two years at well below the rate of inflation.
  - Adding more resources and staff at the Residential Tenancy Branch to provide faster resolutions to renter/landlord disputes.

Outdated Zoning Rules

- Historically, many communities throughout B.C. have zoning bylaws and rules that make it difficult to build housing that works for people.
- For years, through this outdated zoning, new housing has been built primarily either in the form of tall condo towers or single-family homes on traditional lots that are out of reach for many people and families looking to enter the housing market.
- This has led to a shortage of homes that are more within reach for people like townhouses, duplexes, and row homes.
- This is sometimes called the "missing middle."
- That's why we are proposing action to change this restrictive zoning approach, making it easier for people and home builders to create more small-scale, multi-unit homes that fit into existing neighbourhoods.



The challenge of building small-scale, multi-unit

- Zoning that exclusively permits single-family detached homes covers a large portion of the land zoned for housing in many B.C. communities.
- Currently, small-scale, multi-unit housing is not zoned for in many communities.
- This means a builder who wants to build three units on a large traditional single-family lot is subject to layers of regulations and red-tape for rezoning.
- These layers of regulations lead to additional costs, delays and often a reduction of the number of homes or units built.
- In many cases, these types of homes are already part of a community's vision or Official Community Plan, but the zoning bylaws have not been updated to reflect this.
- Due to these restrictions, in many communities, building a large home for one family to live in takes significantly less time than building a smaller structure on the same sized lot for two or three families to live in.



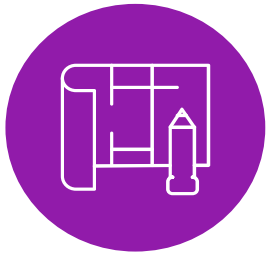
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Proposed changes overview



Small-Scale, Multi-Unit Housing
(Row Homes/Townhouses/Triplexes)

- Permit secondary suites/additional dwelling units
- Permit 3 or 4 units (depending on lot size) on traditional single-family lots and duplex lots in most B.C. communities
- Permit 6 units on traditional single-family lots and duplex lots near frequent transit
- Policy manual, site standards and building designs to create small-scale, multi-unit homes



More proactive and upfront community planning and zoning

- More complete Housing Needs Reports
- Updating Official Community Plans (OCP) to better address housing needs
- More efficient, upfront zoning to deliver more homes, faster
- Reduce one-off public hearings for rezonings that slow down housing projects that already fit with community plan

$51 million to support
local governments implement zoning changes

Secondary Suites/Accessory Dwelling Unit (ADU)

- Proposed legislation permits 1 secondary suite and/or 1 ADU (laneway home) in all single-family/duplex residential zones, in all communities throughout B.C.
- Requires local governments to update zoning bylaws to permit this change.
- Comes in advance of the upcoming provincial pilot secondary suite incentive program.
- Pilot program will provide a forgivable loan of up to $40,000 to people to convert a portion of their home into a secondary suite to rent out at below market rates.



What is Small-Scale, Multi-Unit?

- Small-Scale Multi-Unit Housing (SSMUH) refers to a range of buildings and unit configurations that can provide more affordable and attainable housing and provide people with small yard spaces for children and pets.
  - Examples of SSMU are:
    - secondary suites in single-family homes or duplexes;
    - detached garden suites or laneway homes;
    - triplexes;
    - townhomes; and
    - house-plexes.



SSMU Case Study

In 2016, the City of Auckland, New Zealand removed single-detached zoning and set a bylaw density of 3 units per detached residential lot.

Research has shown these changes have led to the creation of more than 20,000 additional new homes over five years in Auckland, and rents stabilizing leading to slower rent increases than the rest of country.

Small-Scale, Multi-Unit

- Proposed legislation and regulations will require many local governments to update zoning bylaws to permit small-scale, multi-unit (3 / 4 or 6 units) on traditional single-family detached lots and duplex zones.
- This is intended to apply within urban containment boundaries and municipalities over 5,000 people.
- The proposed legislation and forthcoming regulations will do the following:
  - Local governments must allow for at least 3 to 4 units on lots currently zoned for single-family or duplex use depending on lot size. (lots less than 280 square metres 3 units/lots greater than 280 square metres 4 units)
  - Local governments must allow for at least 6 units on larger lots (greater than 280 square metres) currently zoned for single-family or duplex use and close to transit stops with frequent service.
- This means local governments can no longer exclusively zone neighbourhoods for single-family detached lots and moves communities away from long rezoning processes to build a triplex or renovate a single-family unit to create additional units.
- Recognizing that parking is needed in areas farther from frequent transit, the Province will be putting forward direction around parking, dependent on lot size and proximity to transit. For SSMU projects closer to transit stops with frequent service, parking minimums will decrease. For projects that are within 400M of these transit stops there will be no minimum parking requirements and parking will be determined by home builders.

Supporting Municipalities Implementing SSMU

- A policy manual will be released immediately after the SSMU regulations are released to support local governments in implementing the required bylaw changes.
- The manual will set clear provincial expectations in terms of setbacks, height restrictions, parking and lot coverage.
- Some local governments have introduced similar or aligned policies to the SSMU proposed legislation (Victoria/Vancouver/Kelowna/Kimberley).
- In communities/neighbourhoods that have already adapted SSMU zoning changes to single-family and duplex lots, existing bylaws would remain.
- Municipalities with current SSMU zoning bylaws can adopt provincial site standards on setbacks, height restrictions, parking and lot coverage provided in the policy manual.
- This will maximize the opportunity for SSMU to get built and reduce potential restrictive barriers around lot size, height, setbacks; and ensure adequate parking is available for SSMU.



How Communities Currently Plan

Housing Needs Reports

Municipalities and regional districts are required to complete housing needs reports every five years. These reports help local governments and the Province better understand and respond to housing needs in communities

Official Community Plans

Official community plans describe the long-term vision of communities. They are a statement of objectives and policies that guide decisions on municipal and regional district planning and land use management.

Zoning and other bylaws

Zoning bylaws determine what uses are permitted on a lot, the type and size of buildings and structures that may be built, minimum lot sizes, parking, and other requirements.

Creating a more efficient and effective process

Housing Needs Report

Proposed changes include:

- Requiring all local governments to update HNRs using a standard method, for a more consistent, robust, understanding of both local housing needs currently and over the next 20 years

Official Community Plans

Proposed changes include:

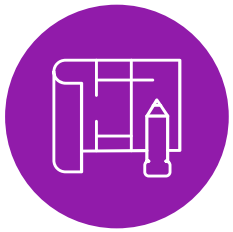
- OCPs to be updated every 5 years with public engagement
- Plan for enough homes for forecasted growth over the next 20 years (rather than 5).
- Include policies that address a wider range of housing types (e.g. affordable housing, rental housing, housing for families, etc.)

Municipal Bylaws/Zoning

Proposed changes include:

- Moving away from site-by-site rezoning or spot-zoning.
- Require zoning bylaws to better match housing needs and OCPs
- Small-scale, multi-unit homes will be zoned upfront within city bylaws (eliminating long-zoning process to build a row home, townhouse)

Better proactive planning



Reduce one-off hearings that slow down housing that already aligns with community plans

- Currently, rezoning processes, including public hearings, for stand-alone housing projects are creating lengthy delays and adding costs. In many cases the housing being discussed is supported or encouraged in the official community plan

- **Proposed changes will phase out one-off and site-by-site public hearings for rezonings for housing projects that are consistent with official community plans (which already have a public hearing).**
  - This includes mixed use projects that are at least 50% housing (e.g. housing above a grocery store, daycare or library)

- There will instead, be more frequent opportunities for people to be involved in shaping their communities earlier in the process, when OCPs are updated. These opportunities, including a public hearing, provide for more meaningful engagement opportunities for a greater number of community members.

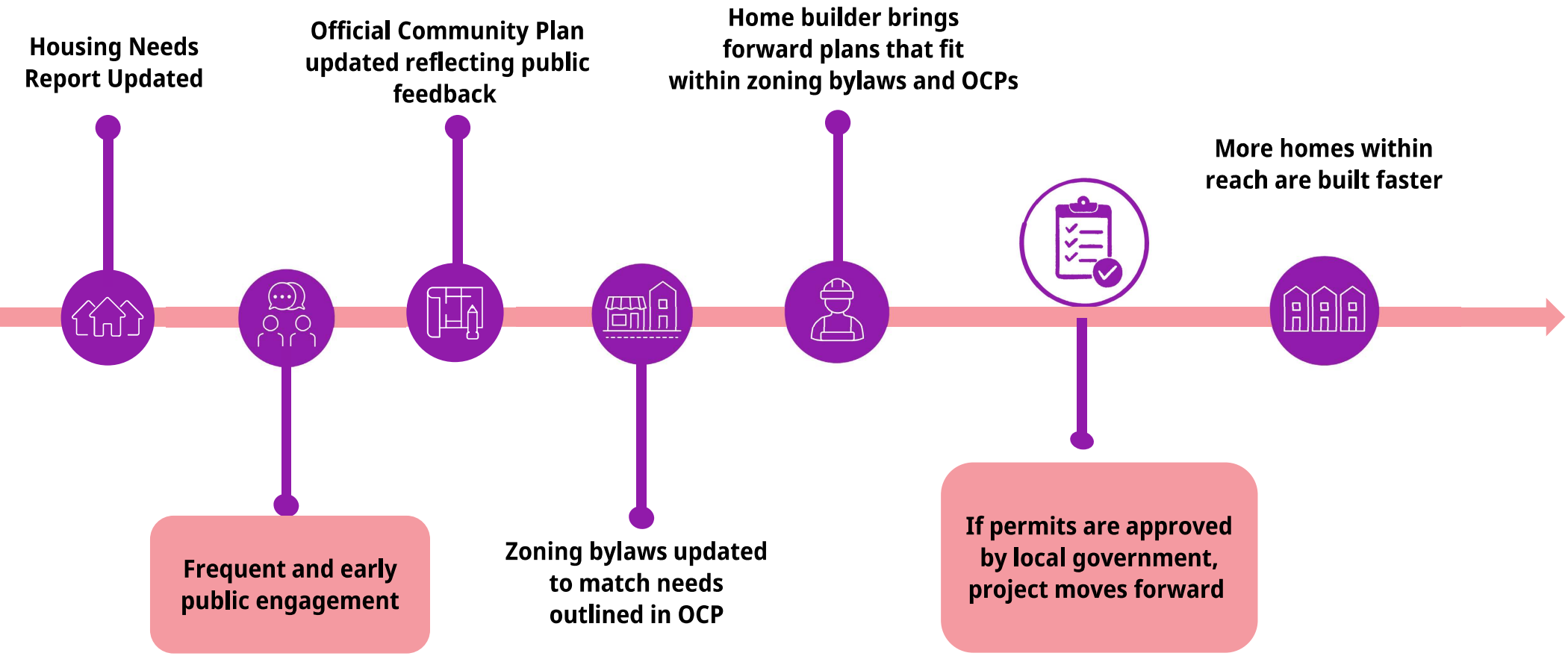
- Important to note: development permits and building permits, and any required zoning changes beyond SSMU zoning bylaws would still need to be approved by local governments.

- Public hearings will continue to be *required* whenever local governments:
  - Update or develop new official community plans; or
  - Consider rezonings for projects that are not consistent with the official community plan

- People will also still be able to engage with their local elected officials about housing projects through other channels and forums.

- *The Vancouver Charter* does not include the same community planning framework that the *Local Government Act* does. This means that the zoning stage is often the only time where community members can directly engage with their local government. The Province is working with the City of Vancouver to explore how the changes to the public hearings process could apply to Vancouver.

How these changes will work



Working together to build more homes

To help facilitate implementation of these changes, the Province will continue to provide local governments with a range of resources and support, including:

- the recently announced $51 million to support local governments in meeting the new density requirements.
- $10 million for a second intake of the Local Government Development Approvals Program (administered by UBCM).
- $1B Growing Community Funds to local governments to support the delivery of infrastructure projects necessary to enable community growth measures.
- a range of implementation tools for local governments to use to help achieve more small-scale, multi-unit housing.



How many homes will SSMU create?

- The Ministry of Housing worked with leading economic and planning experts to undertake a study looking at the impacts of what more small-scale, multi-unit home sand proactive zoning would have in B.C.

- The analysis used relevant international examples of recent zoning changes, particularly in New Zealand and Washington State, and B.C. examples like Kelowna.

- Modelling future scenarios cannot account for unforeseen circumstances, the changing nature of housing, real estate markets and other factors, but preliminary analysis indicates the province could see over 130,000 new small scale multi-unit homes in B.C. over the next ten years.

- Findings also found new housing is expected to be built closer to city centres, reducing commuting times, as well as increasing transit use.

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What does this mean for:

Municipalities

- Better use of proactive planning stage
- Less time/resources used to review plans that have already been approved
- Clear understanding of the housing a community needs, and a path to get there
- Provide more homes within reach for families and people working in communities

Home Builders

- Less delays
- Less layers of regulations
- More certainty
- More efficient zoning process to help build more affordable projects, faster

People living in B.C.

- More homes that are within reach (townhouses, row homes)
- More opportunities to live in the communities of their choice
- More frequent opportunities for people to be involved in shaping their communities earlier in the process

Timelines


Dec. 2023
Policy manual for SSMU provided to local governments
Winter 2024
$51 million from province goes to municipalities to support housing initiatives
June 30, 2024
Local governments update bylaws to accommodate SSMU zoning
Dec 31, 2024
Local governments must have completed interim Housing Needs Reports
Dec. 31, 2025
Updated OCPs and zoning bylaws are complete

Attachment 5 - Provincially Directed/Triggered Housing Projects

Project #	Current Council Priority Projects & Potential New Projects	Resource Implications			Anticipated Timing					Project Description
		Lead Department	Staff Hours[1]	Budget	2024	2025	2026	2027	2028	
72	Update Zoning Bylaw to accommodate SSMU Zoning (Provincially Required) (by June 2024)	Community Building & Planning	H	$50,000						The Province is requiring municipalities to update Zoning Bylaws to permit a minimum of three to four dwelling units in areas zoned for single family dwelling units. In December 2023 the Province will release the SSMUH policy manual and site standards to local governments. This project is anticipated to supersede the District's planned Infill Housing Program.
73	Update OCP to accommodate SSMU Zoning (Provincially Triggered) (by June 2024)	Community Building & Planning	H	$20,000						While the District updates the Zoning Bylaw, amendments may also be needed to the Official Community Plan policies and Development Permit Area guidelines for Infill Residential Housing. This would determine what type of form and character control or exemptions will be applied to different types of SSMUH and similar Development Applications.
74	Complete Interim Housing Needs Report (Provincially Required) (by end of 2024)	Community Building & Planning	H	$20,000						The Province is requiring the District to complete an interim HNR by December 31, 2024. Proposed changes to the Housing Needs Report (HNR) include using a standard method, for a more consistent, robust understanding of both local housing needs currently needed and over the next 20 years.
75	Complete Mandated Five-Year Review of OCP (Provincially Required) (end of 2025)	Community Building & Planning	H	$300,000						The Province is requiring the District to have an updated OCP by December 31, 2025. Proposed changes for OCPs require an update every five years with early and ongoing public engagement to plan for homes and growth over 20 years. In June/July of 2024 instructions will be provided by the Province to local governments regarding the OCP review.
76	Complete Mandated Pre-Zoning to Implement Updated OCP (Provincially Required) (second half of 2025)	Community Building & Planning	H	$75,000						In tandem with the updated OCP, the Province is also requiring that the District's Zoning Bylaw be updated to accommodate the planned 20 year housing supply, and these changes are required to be in place by December 31, 2025. In June/July 2024 instructions will be provided to local governments regarding the Zoning Bylaw review.
77	Prepare Tracking Program (Provincially Required)	Community Building & Planning	H	$25,000						A requirement of the Housing Target Order, is the preparation of a housing target progress report that must be received by Council resolution within 45 days after the end of each reporting period. The first report will need to be received by Council by May 16, 2024 and subsequently reports are required yearly with the last report anticipated for September 30, 2028.
78	Optimize Development Processes (Provincially Triggered)	Community Building & Planning	H	$225,000						This project would review and provide recommendations for streamlining, enhancing, and modernizing department processes and systems. It would support the implementation of resulting recommendations, best practices, Information Technology and innovative approaches to improve development approvals processes.
79	Responding to increased development interest (Provincially Triggered)	Community Building & Planning	H	$250,000						The new programs and recent announcements have started to create new and growing interest in development of new housing options. This project would support pro-actively preparing and expanding resources to support home owners, developers and the District organization in facilitating new housing options for the community.
80	Prepare Amenity Cost Charge Approach and DCC Bylaw (Provincially Required)	Community Building & Planning	H	$200,000						The legislation updates and streamlines development finance tools to improve development cost certainty and to assist local governments to help continue to fund the costs of infrastructure and amenities related to increased housing supply and growth. This is implemented through a new Amenity Cost Charge (ACC) Bylaw and an expanded framework for Development Cost Charges (DCC).
81	Reserve for any yet-to-come projects required (or triggered) by the Province	Community Building & Planning	H	$560,000						This is a placeholder project for work that might be identified by the Province or the District through the upcoming efforts to implement the new Provincial Housing Directives.
	Project Management			$600,000						
	Contingency			$150,000						
	Total			$2,475,000						

Notes (1)

- Low (< 1 week)
- Medium (1-4 weeks)
- High (4+ weeks)

Attachment #6 Housing Projects Tentative Scope

#72	**Update Zoning Bylaw to accommodate SSMU Zoning (Provincially Required)**
Project Timeline	2024 (must be completed by June 30, 2024)
Project Elements	The scope of the Small-Scale Multi-Unit (SSMU) Program includes the following key elements: 1. Revise the zoning bylaw to permit a minimum of three to four dwelling units (depending on lot size) in select areas zoned exclusively for single-family residential or duplex residential, in selected areas, with exceptions (Required). 2. Revise the zoning bylaw to permit a minimum of six dwelling units in select areas zoned for larger single-family residential lots or duplex residential lots within a prescribed distance to transit stops with frequent service, in select areas. (Required) 3. Revise relevant sections of the zoning bylaw zones as needed to align with and respond to the requirements as described in the Provincial SSMU Program (Required) 4. Undertake a land capacity analysis to understand the following: • determine which parcels in Oak Bay will be impacted by the SSMUH legislation (Required) • determine the probability of re-development for each parcel which may intensify (Triggered) • determine the realistic increase in units and population in the community based on the new legislated densities through buildout modeling (Triggered) • This work would also be a key baseline document for the OCP review and Housing Needs Report requirements (Triggered)

#73	**Update OCP to accommodate SSMU Zoning (Provincially Triggered)**
Project Timeline	2024 (completed by June 30, 2024)
Project Elements	The scope of the OCP update to accommodate SMMU Zoning includes the following key elements: 1. Update DPA guidelines and design guidelines in the Infill Residential Development Permit Area (Triggered) 2. Undertake any OCP amendments and other bylaws if required. (Triggered)

#74	**Complete Interim Housing Needs Report (Provincially Required)**
Project Timeline	2024 (must be completed by December 31, 2024)
Project Elements	The scope of the Housing Needs Report update is anticipated to include the following key elements: 1. Reflect the total number of housing units calculated in accordance with an applicable method set out in the regulations, required to

	meet the anticipated housing needs of the local government for the next 5 years and for the next 20 years. (Required) 2. Include a description of the actions taken by the local government, since receiving the most recent housing needs report, to reduce housing needs in the applicable area of the local government. (Required) 3. Include a statement about the need for housing in close proximity to transportation infrastructure that supports walking, bicycling, public transit or other alternatives forms of transportation. (Required) 4. Ongoing monitoring. (Required)

#75	**Complete Mandated Five-Year Review of OCP (Provincially Required)**
Project Timeline	2024 -2025 (must be completed by December 31, 2025)
Project Elements	The scope of the Official Community Plan Review is anticipated to include the following key elements: 1. Gap analysis and baseline report (Triggered) 2. Land Use and Growth Management Framework (Required) • Update the land use framework and Regional Context Statement in response to policy changes • Undertake a Complete Community Assessment 3. Use the interim HNR to inform amendments to the OCP to accommodate at least the 20 year total number of housing units required to meet the anticipated housing needs (Required) • Focus on additional areas to be designated for multi-unit housing sites which may include areas along corridors, adjacent to village areas (Required) • Review of District owned sites including the Monterey property (Triggered) • Focus on specified housing policies including Short Term Vacation Rentals (Required) 4. Transportation and Mobility • Update policy and applicable mapping schedules to incorporate the Active Transportation Strategy to reinforce development patterns for complete communities based around walkable neighbourhoods supported by transit and other forms of active transportation (Triggered) • Ensure alignment with the transit-oriented development (TOD) areas (Required, if applicable) 5. Retail and Commerce • A comprehensive review of the OCP will also allow an opportunity to review and consider policy actions regarding village centres and to look at future needs and requirements informed by a retail capacity analysis as well as consideration of urban design policies for these areas. (Triggered)

	6. Incorporate Recent District Work • Include the Parks Master plan, Climate Action Plan, Regional Growth Strategy and associated population, employment and dwelling unit projections in the broader directions of the OCP (Triggered) 7. Integrate update demographic data and statistics informed by the land capacity analysis (Triggered) 8. Assessing Infrastructure and Servicing needs to support future growth and inform the required DCC/ACC Bylaw projects (Required) 9. Strengthening the Monitoring and Implementation Framework • Review and update section 6.1 (Implementing Actions) to identify completed actions and identify new implementation actions. (Triggered • Review and update Section 6.2 (OCP Monitoring and Review) to provide a stronger monitoring and evaluation framework (Triggered)

#76	**Complete Mandated Pre-Zoning to Implement Updates OCP (Provincially Required)**
Project Timeline	2024 – 2025 (must be completed by December 31, 2025)
Project Elements	The scope of the Zoning Bylaw Review is anticipated to include the following key elements: 1. Review the zoning bylaw and create a report that includes high level recommendations and identifies key issues gaps, redundancies, challenges and options (Triggered) 2. Use the interim HNR to inform amendments to the Zoning Bylaw to accommodate at least the 20 year total number of housing units required to meet the anticipated housing needs (Required) 3. Review and update Short Term Vacation Rentals regulations with the aim of increasing housing options (Required) 4. Identify the high level recommendations to create a new zoning bylaw to achieve easier interpretation and application of the bylaw by the public, applicants and staff (Triggered) 5. Create a modernized draft zoning bylaw with graphics (Triggered)

#77	**Prepare Tracking Program (Provincially Required)**
Project Timeline	2024
Project Elements	The scope of the tracking program is anticipated to include the following key elements: 1. Set up tracking, monitoring and reporting of newly created housing potential, in-stream/approved development applications, and issued building and occupancy permits as required. (Required)

	2. Establish quarterly or bi-annual monitoring to Council, the community and interested other parties about the District's progress on housing targets. (Triggered)

#78	**Optimize Development Processes (Provincially Triggered)**
Project Timeline	2024 – 2027
Project Elements	The scope of optimizing development processes is anticipated to include the following key elements: 1. Review and provide recommendations for streamlining, enhancing, and modernizing department processes and systems. (Triggered) 2. Implement recommendations, best practices and Information technology and innovative approaches to improve development approval processes. (Triggered)

#79	**Responding to increased development interest (Provincially Triggered)**
Project Timeline	2024 – 2028
Project Elements	The scope of responding to increase development interest is anticipated to include the following key elements: 1. Resources for change management to ensure the effective implemention of changes to processes, systems and resources that support the housing development process. (Triggered) 2. Additional Development Planning staff resources to facilitate responding to increased development enquiries and pre-applications. (Triggered)

#80	**Prepare Amenity Cost Charge (ACC) Bylaw and Development Cost Charge (DCC) Bylaw (Provincially Required)**
Project Timeline	2024 – 2028
Project Elements	The scope of the development of the ACC Bylaw and DCC Bylaw for community facilities is anticipated to include the following key elements: 1. Identify impacts of new growth where more housing supply is planned (based on OCPs and other planning documents) and what community facilities are needed to support that supply and population (Required/Triggered) 2. Determine infrastructure and amenity cost charge amounts (Required) 3. Consult on the development of amenities and charge rates (Triggered) 4. Drafting a DCC Bylaw and ACC Bylaw and adopting a DCC Bylaw and an ACC Bylaw

#81	**Reserve for any yet-to-come projects required (or triggered) by the Province**
Project Timeline	2024 – 2027
Project Elements	This is a placeholder project for work that might be identified by the Province or the District through the upcoming efforts to implement the new Provincial Housing Directives.