

To: Electoral Area Services Committee
From: Graham Daneluz, Director of Planning & Development

Date: 2024-04-11
File No: 0130-20

Subject: Implementation of Bill 44 Housing Statutes.docx

RECOMMENDATION

THAT the Fraser Valley Regional District Board direct staff to prepare and submit an application to the Minister of Housing to extend the deadline for amendments to FVRD electoral area zoning bylaws to accommodate small-scale multi-unit housing requirements set out in the Housing Statutes (Residential Development) Amendment Act (Bill 44);

AND THAT the FVRD Board identify Option 2 in the staff report dated April 11, 2024, as its preferred implementation option subject to confirmation of costs and feasibility of conducting groundwater capacity assessments;

AND FINALLY THAT the FVRD Board direct staff to prepare a report on the estimated costs and feasibility of undertaking groundwater capacity assessments as a component of implementing the Housing Statutes (Residential Development) Amendment Act (Bill 44).

BACKGROUND

The Local Government Act was amended on December 7, 2023, to require local governments to update their zoning bylaws to allow secondary suites or accessory dwelling units (ADUs) in all single-family zones.

The legislation implements components of the Province's [Homes for People](#) plan released in April 2023 to address "the housing crisis, a foundational problem underpinning nearly every other challenge faced by people in B.C." Through the legislation, the Province aims to increase housing supply, create more diverse housing choices, and over time, contribute to more affordable housing across the province. Resources and links with more information about the new legislation and the 'small-scale, multi-unit housing' (SSMUH) initiative can be found [here](#).

For FVRD electoral area communities, Bill 44 will have the following effect:

- **Zoning for suites or ADUs.** By June 30/24, FVRD must amend its electoral area zoning bylaw to allow at least a single-family dwelling and a suite or an accessory dwelling unit on each residential parcel where a single-family dwelling is permitted. Other powers such as

development permitting must not be exercised in a manner that unreasonably prohibits or restricts the use of land or density of residential development required to be permitted under Bill 44.

- **Housing Needs Reports.** By January 1/25, FVRD must receive an interim Housing Needs Report (HNR) for all electoral areas. This will involve an update to the HNR received by the Board in 2021 to estimate housing needs for 20 years (the 2021 HNR considers 5 years); identify actions taken by FVRD since 2021 to reduce housing needs; and, include a statement about the need for housing in proximity to transit and active transportation infrastructure.

By December 31/28, FVRD must receive a standard HNR prepared using a standardized methodology prescribed by the Province. The report must consider housing needs for 20 years. The HNR must then be updated every five years thereafter (i.e. in the years 2033, 2038, 2042, and so on).

- **Official Community Plans.** The Regional Board must consider the most recent HNR when developing, amending, or updating an official community plan (OCP). Furthermore, OCPs must include the policies of the regional district respecting each class of housing needs for 20 years per the most recent HNR.

No timelines are prescribed for updating regional district OCPs to meet these requirements or to reflect HNRs as they are updated. The Province recognized that regional districts often have multiple OCPs and that imposing a timeline to amend them would impose an unreasonable burden.

- **Zoning Bylaws.** When developing or adopting a zoning bylaw to permit the use and density of use required by Bill 44, local governments must consider any relevant provincial policy guidelines.
- **Public Hearings.** Local governments are now prohibited from holding public hearings on a proposed zoning bylaw if the zoning bylaw is:
 - consistent with the OCP; and,
 - the sole purpose of the bylaw is to permit a development that is, in whole or in part, a residential development; and,
 - the residential component of the development accounts for at least half the gross floor area of all buildings and other structures proposed as part of the development.

Where a local government waives the requirement for a hearing, or where it is prohibited from holding a hearing, notice (i.e. newspaper ads and mail-out) must be given before first reading.

Deadline & Extension

Local governments are required to update their zoning bylaws before June 30, 2024, to comply with legislation. However, the June/24 deadline for amending the zoning bylaw can be extended by the Minister of Housing upon receipt of an application demonstrating that implementation is delayed by required infrastructure upgrades; risks to health, public safety, or the environment; or, extraordinary circumstances that prevent compliance.

Confirmation of the passing of a resolution by the board directing the submission of an extension application is required to ensure that the application is duly authorized. The deadline for submission of applications is June 1/24. Fairly extensive information must be provided to demonstrate the need for an extension. The longest extension that can be granted by the Minister is December 31/30.

The Ministry of Housing has provided a [policy bulletin](#) to explain the extension process and criteria, as well as an [application form](#).

Exemptions

The Local Government Zoning Regulation exempts lands subject to hazardous conditions from the requirement to allow a suite or ADU where:

- development of the land to a density of use required to be permitted under the applicable provision of the Act would significantly increase the threat or risk from the hazardous condition;
- the threat or risk from the hazardous condition cannot practically be mitigated; and,
- the local government has obtained a report in which a qualified professional certifies that the hazardous condition exists and that development at the density required to be permitted under Bill 44 would significantly increase the risk.

Staff from the Ministry of Housing have advised us that hazardous conditions exemption is intended to address geohazards. This is generally in keeping with how the term is used in the Local Government Act.¹ However, there appears to be some latitude for the Board to determine the nature of a hazardous condition as long as a suitable report from a professional engineer or geoscientist has been obtained.

¹ The term “hazardous condition” is not defined in the Local Government Act though it is used in several places in relation to the requirement to identify lands where use is restricted due to hazardous conditions; the use of Development Permit Areas to protect development from hazardous conditions; the amendment of phased development agreements due to previously unknown hazardous conditions; the use of screening/landscaping to prevent a hazardous condition; and remedial action orders to address a hazardous condition.

[Section 491 of the Local Government Act](#) provides the fullest indication of the circumstances that constitute hazardous conditions. It references flooding, mud flows, torrents of debris, erosion, land slip, rock falls, subsidence, tsunami, avalanche or wildfire or other hazards for which an area that must remain free of development is established in a Development Permit Area.

Written notice identifying the land to which an exemption applies, and the provision of the legislation under which the exemptions are exercised, must be provided to the Minister of Housing as soon as practicable after a zoning bylaw has been updated.

Current Zoning for Suites and Accessory Dwelling Units

Land use in FVRD's electoral areas is regulated by Zoning Bylaw No. 1638, 2021 except for lands in Cultus Lake Park which are regulated by Zoning Bylaw No. 1375, 2016.

FVRD zoning bylaws traditionally permitted second dwellings on rural parcels to care for a family member or house an employee who works on the parcel. In September 2023, the Board took a further step to reduce zoning barriers and increase the supply of housing when it adopted Zoning Amendment Bylaw No. 1692, 2023 to permit a suite or an Accessory Dwelling Unit (ADU) on parcels greater than 0.5 hectares with connection to a community water system and on all parcels greater than 1.0 hectares, except in Areas E and F. This change allowed about 1140, or 18%, of the 6400 **parcels in FVRD's electoral areas to have a suite or an ADU as an outright permitted use.** The parcel size limitations were established to address servicing limitations and groundwater impacts.

Of the 35 zones in these FVRD EA zoning bylaws that permit single-family residential use, suites or Accessory Dwelling Units (ADUs) are already permitted in 21 zones. In other words, suites or ADUs are already permitted in 60% of zones that allow single-family dwellings.

Additionally, over 300 parcels are not subject to zoning and consequently there is no zoning-based restriction on the number of dwelling units that could be developed on them (although the BC Building Code, site features, and availability of servicing will constrain development potential).

Purpose of this Report

This corporate report focuses on the implementation of the new housing legislation (Bill 44) through **amendments to the zoning bylaws that apply to FVRD's electoral areas.** It identifies critical values to consider; outlines two implementation options; provides work plans/timelines for each option; and, addresses the need for an application to the Minister of Housing to extend the June 30/24 implementation deadline.

DISCUSSION

The intention of the Province of BC for the housing statutes amendment acts, including Bill 44, is to remove zoning barriers and increase the supply of housing everywhere in the province. The provincial **government sees the housing crisis as a "foundational problem underpinning nearly every other challenge faced by people in B.C."**

As such, the new housing legislation prioritizes the creation of new housing units over other values that might constrain housing supply. It implies that some managed risks should be accepted when

creating significant new housing opportunities because housing is a common denominator for most other challenges to social well-being.

In the view of staff, the intent of the Province should be given considerable weight when evaluating implementation options. However, critical values for FVRD electoral areas must also be addressed.

Critical Values

Many important values should be considered when contemplating a large increase in development density. This report emphasizes three critical values that are particularly central to rural land use planning - geohazard safety, servicing capacity, and groundwater impacts from on-site services. These critical values fundamentally shape the recommendations made below.

Effectiveness at Protecting Critical Values

An over-riding consideration for implementing the new legislation is the extent to which these critical values can be effectively addressed through the primary tools that would be used in the development approval process for individual suites/ADUs:

- minimum setbacks, servicing requirements, minimum site area, maximum lot coverage, and maximum floor area regulations in zoning bylaws (as opposed to use prohibitions); and,
- other development approval tools such as development permits, geotechnical reports, and subdivision/development servicing bylaws.

If critical values **can't be effectively addressed with these** development approval tools, then it would be appropriate to consider the hazardous condition exemption so that suites/ADUs can be prohibited by zoning in inappropriate locations to avoid increasing risk to critical values.

A related factor is the cost of hazardous condition exemptions. It will be very expensive to obtain reports from qualified professionals to certify that the land is subject to a hazardous condition and that the development of the land to a density of use required under the new legislation would significantly increase the threat of risk. Any approach to exemptions will need to be selectively targeted, risk-based, and high-level if it is to be affordable unless significant new resources are made available.

1. Geohazard Risk

Keeping people safe from geohazards, and minimizing the economic consequences of hazard events, is a critical value. The exemptions provided in the new legislation imply that the Province intends local governments to consider the implications of geohazards for the increased residential density required by the legislation.

FVRD's eight electoral areas cover over 12,000 km². They are extremely varied in their physical features and hazards. The Fraser River lowlands face high flood and erosion risks from the Fraser and Harrison

Rivers. Parts of the Fraser floodplain are not diked and other areas have non-standard dikes maintained by independent improvement districts. High energy tributaries such as the Chilliwack, Coquihalla, Sumallo, and Nahatlatch Rivers present flooding, erosion, and avulsion risks. Steep-sided valleys have landslide hazards and innumerable streams cause flooding, avulsion, and debris flow hazards. Climate change is greatly increasing all of these risks as extreme weather events which are triggers to other hazards such as flooding and landslides increase in frequency. Adding dwelling units on parcels of land subject to geohazards will increase the consequences of a hazard event and will increase risk if full hazard mitigation is not possible.

FVRD has over 1000 reports in its [geohazard report library](#) and considerable knowledge of electoral area hazards. Despite this body of knowledge, exemptions would require additional reports from qualified professionals. The existing body of reporting does not provide the specific certifications set **out in the regulation to support an exemption simply because these reports don't** specifically contemplate suites or ADUs.

It is not necessary to use the hazardous condition exemption to address this critical value. Ideally, permitted uses set out in zoning would be informed by geohazard risk. However, given the cost of professional certifications - and the size and complexity of the electoral area landscape - it is not feasible to pursue systematic identification, certification, and exemptions of lands that meet hazardous conditions exemption criteria.

Geohazard safety can be effectively addressed through individual development approvals for suites/ADUs. FVRD has a robust framework to effectively manage geohazard risk through the development approval process that includes:

- Development Permit Areas
- Geotechnical reports (under s. 56 of the Community Charter) at the time of building permitting to certify that the land may be used safely; and,
- related policy-based tools such as FVRD's [Hazard Acceptability Thresholds](#) and [Hazard Assurance Statement](#).

A minor adjustment to the [Hazard Acceptability Threshold](#) policy to specifically identify acceptable hazard levels for suites/ADUs will be needed.

2. Servicing Capacity Risks

FVRD operates 11 community water systems and five community sewer systems. About 2,463 parcels of land are within FVRD water service areas and about 914 parcels with sewer service areas. It is critical to consider the capacity of these systems when implementing zoning changes to permit increased residential density within the service areas. Exceeding the capacity of systems to treat and dispose of liquid waste, or to supply a sufficient quantity of water for fire protection and consumption, would increase risk to the health of residents who rely on them and also increase risk to the environment. It would also increase the risk that FVRD systems will not comply with their provincial operating permits.

It is necessary to assess the capacity of these systems to support an increased number of dwelling units. This will involve:

- understanding current system capacity, existing flow volumes, and system limitations;
- estimating the additional demand, and the timing of demand, associated with the implementation of the new housing legislation;
- assessing the risks and impacts of additional demand on these systems, including whether additional residential density is likely to create a hazardous condition in relation to system capacity; and,
- determining any upgrades required to improve systems to meet the added demand, costs for upgrades, and mechanisms to fund them.

It will take about 6 months and cost over \$100k to engage a consultant to do this work. Once the capacity assessments are complete, we will have a good understanding of any risks related to the capacity of the systems to meet the demand associated implementation of the new legislation.

The development approval processes will likely be effective in ensuring new dwelling units do not result in demands that our systems cannot meet. Essentially, new connections to water and sewer systems would not be accepted if the systems cannot support them. In that event, development approvals would not be given and the construction could not proceed. Ideally, policies would be developed to fairly allocate system capacity, identify dedicated but as-yet unused capacity and inform property owners about capacity constraints early on.

Once the capacity assessments are complete, the FVRD Board can evaluate whether servicing capacity risks can be effectively managed through the development approval process, or whether it is necessary to pursue a further implementation timeline extension or a hazardous condition exemption.

There are a variety of private utilities in FVRD electoral areas that provide important community water and sewer services. **It's not FVRD's role to assess the capacity of these systems but it will be important to engage with utility owners to learn about the systems and how owners will manage added demand.** The proposed work plan associated with this report includes engagement with private infrastructure owners for this purpose.

3. Groundwater Risks from Increased Residential Density in Unserved Areas

The [Provincial Policy Manual and Site Standards](#) document confirms that **"the secondary suite and ADU provisions apply to areas not served by local government water and sewer."** Additional residential density in areas without community water or sewer systems gives rise to potential risks to groundwater quality from on-site sewage disposal and groundwater quantity from increased water withdrawals from the aquifer.

The Provincial Policy Manual provides little guidance on managing risk to groundwater in unserved areas. It only recommends, **"to mitigate risks related to groundwater contamination, local governments should only permit secondary suites and not accessory dwelling units on properties under one hectare in size that are not serviced by a local government sewer system."**

Groundwater is primarily a matter of provincial jurisdiction. The [Sewerage System Regulation](#) of the Public Health Act allows only qualified persons to construct on-site sewage systems, requires the filing of information about a new on-site system with the Health Authority before construction, and requires that on-site systems be setback prescribed distances from wells. **Qualified persons “may have regard to” the Ministry of Health’s [Standard Practice Manual](#) (SPM)** to determine whether a sewerage system design is consistent with standard practice. The SPM provides a variety of guidelines for the design capacity of systems, horizontal and vertical separation distances, percolation rates, and other facets of system design. In essence, the regulation provides a professional reliance model for on-site sewage disposal wherein a private sector professional working for the property owner files a design and provides information to demonstrate that an on-site sewerage system meets acceptable standards.

The provincial framework for domestic water wells is similar. The [Groundwater Protection Regulation](#) of the Water Sustainability Act regulates minimum standards for well construction, maintenance, deactivation, and decommissioning; and, recognizes the types of qualified people certified to drill wells, install well pumps, and perform related services. The [Groundwater Protection Regulation: Guidance Manual](#) provides qualified persons with guidelines for protecting groundwater. The [Health Hazards Regulation](#) of the Public Health Act requires wells to be setback from any probable source of contamination (such as an on-site sewage system) and other risks to well water quality.

Overall, there is an absence of clear, pre-determined thresholds for the capacity of an aquifer to accommodate water wells and on-site sewage disposal. Without these limits, it is difficult to know what amount of development will exceed the capacity of an aquifer to support it.

There are tools that local governments can use in the development approval process that reduce risks to groundwater from unserviced development:

- zoning use restriction to allow only suites on smaller unserviced parcels, as recommended in the Provincial Policy Guide, can be used to reduce the risk that the construction of detached secondary dwellings (ADUs) will not leave enough room for backup septic field locations on the property; and,
- zoning siting and dimensions regulations addressing the minimum site area required, minimum setbacks, maximum lot coverage, and maximum permitted floor area can limit the size of second dwellings (a proxy for the volume of water and sewage flows associated with the dwelling) and also the placement of ADUs within the parcel to help ensure adequate space remains for long-term on-site septic disposal.

However, individual development approval processes are less effective in managing risks to groundwater from incremental development of suites and ADUs. The impact on groundwater quality and quantity associated with a single dwelling is very small and, considered in isolation, is likely to have a negligible impact on groundwater. Cumulative assessment, or effective density thresholds, are needed to understand whether development densities will be sustainable over the long term.

Unfortunately, **the process for hazardous condition exemption doesn’t offer a cost-effective approach to managing groundwater risks.** The diversity, complexity, and number of aquifers in FVRD electoral

areas make it expensive to assess aquifer carrying capacity and provide the engineering certifications necessary to support an exemption. It may be possible to develop cost-effective methods that generally rely on existing information to identify and consider impacts on a small number of high-vulnerability aquifers.

It is noted that the FVRD Board has already invested in monitoring and assessment of the McConnell Creek Aquifer in Area F. In response to long-standing community concerns, FVRD initiated a three-year program to collect data from hydrometric stations and wells to enable modeling which will inform understanding of the quality and quantity of water in the aquifer. This work is expected to be completed in 2025.

With more time, the feasibility and costs of groundwater risk assessment could be better understood.

Implementation Options - Work Plan & Schedule

Based on the foregoing, two options for implementing the new housing legislation are outlined below. Detailed work plans and schedules for each option are attached in Appendix A.

Option 1 – Streamlined Implementation

Option 1 involves a streamlined implementation approach that would be completed by March 31, 2025. It would involve no, or minimal, use of hazardous condition exemptions to avoid suites/ADUs. Instead, it emphasizes the use of enhanced development approval processes; assessment of FVRD water/sewer system capacity, and provincial oversight of groundwater to manage critical risks.

The key advantages of Option 1 are:

- it honours the intention of the Province for quick action to address the housing crisis; and,
- it is quicker, less costly, and has less impact on existing 2024-25 EA Planning work plan priorities.

Option 2 – Groundwater Capacity Risk Assessment

Option 2 involves assessment of groundwater risk and consideration of hazardous condition exemption for highest-risk aquifers, if appropriate. Geohazard and water/sewer system capacity risks would be managed in the same way as in Option 1. Option 2 would require an extension to the implementation deadline to December 31/25 to allow time to complete the assessment of groundwater capacity risk and ongoing modeling of the McConnell Creek aquifer.

The key advantage of Option 2 is that it attempts to proactively manage groundwater risks.

Analysis of Options

	Option 1	Option 2
--	----------	----------

Geohazard Risks	Manage through development approvals	Manage through development approvals
FVRD Water/Sewer System Capacity Risks	Assess capacity and manage through development approvals (if possible)	Assess capacity and manage through development approvals (if possible)
Groundwater Risks	Rely on provincial oversight	Assess risk and consider the need for exemptions
Costs	Lower	Higher
Grant funds	Grant funds would support targeted consulting support (water/sewer capacity, interim HNR) and could also support the addition of a temporary staff person (or consulting support) to undertake implementation and reduce impacts on the 2024-25 EA Planning work plan.	All grant funds go to hiring consultants (water/sewer capacity, groundwater impacts, and interim HNR). Grant funds may be inadequate for these purposes and additional resources may be required.
Short-term Impacts to Housing Supply	Greater opportunities for increased housing supply in shorter-term	Fewer opportunities for increased housing supply in shorter-term
Impacts to FVRD 2024-25 Work Plans	Lower	Higher
Project Risks	Not undertaking groundwater risk assessment may increase the potential for negative impacts. The implementation timeline may not be approved by the Minister. It may be difficult to recruit a qualified time-duration employee.	Assessment methods are uncertain and may ultimately be ineffective. Costs for groundwater risk assessment may be much greater than estimated and no funds other than grant monies are currently available for the work. The longer implementation timeline may not be approved by the Minister. The longer implementation timeline may impede some property owners from creating new dwelling units.
Project Risk Mitigation	The feasibility of groundwater assessment for Option 2 can be determined early on. If costs are unacceptable, or if the assessment is unlikely to support hazardous condition exemptions, then we can revert to Option 1.	

Extension Request

The compressed timeline for implementing the new housing legislation is exceptionally challenging. **It doesn't allow for considered assessment of options and approaches, nor does it accommodate** existing work plans and commitments. Whatever option the Board selects for implementing the new housing legislation, a request to extend the deadline for zoning changes will be required.

While delaying implementation of the legislation will mean that construction of new dwelling units on specific individual parcels of land may be delayed, on the whole there are significant opportunities for new housing units to be built in FVRD electoral areas under existing zoning.² A conservative estimate is that about 623 new additional dwellings could be built in FVRD's electoral areas without the need to rezone or subdivide land. A modest delay in implementing zoning to fully meet the requirements of the new legislation will not unduly restrict opportunities for the construction of new dwelling units in FVRD electoral areas over the short term.

These figures do not dispute the idea this region faces a crisis of housing supply, availability, and affordability. Additional housing supply is required to meet the needs of electoral areas communities, to accept a portion of the growth occurring in the region, and to lower the cost of housing.

COST

New provincial legislation will have a large impact on FVRD budgets and work plans. The allocation of staff resources, and potentially budgeted funds, to meet these new statutory requirements will detract from our ability to meet work plan priorities and complete day-to-day work within expected timeframes. Impacts to the 2024 EA Planning work plan are outlined in a separate report.

Housing Capacity Funding

The Province of BC has provided Housing Capacity Funding to FVRD to, "support and supplement local government activities and projects to meet the new legislative requirements arising from Bills 44, 46, and 47." FVRD has been offered \$203,923 for implementing the new housing statutes in electoral areas.³

² The analysis below assesses the impact of delaying implementation of the new legislation on opportunities to increase housing supply in FVRD electoral areas. The numbers are 'ballpark' estimates; their accuracy and completeness are limited by the data available and the short time we had to assemble and analyse it. There are about 6400 parcels of land in FVRD's electoral areas (not all are residential). Suites and ADUs are currently permitted on about 1140 of the 6400 parcels. There are over 300 unzoned parcels where there is no zoning-based restriction on the number of dwelling units that could be developed on them. Additionally, there are about 1100 vacant parcels (not counting recreational, civic, and institutional properties as well as those owned by the Crown, crown agencies, utilities, and non-government organizations) upon which a dwelling could potentially be constructed.

If a single new additional dwelling unit could be built on at least 25% of parcels with zoning that allows suites/ADUs, and on parcels that are unzoned or vacant, there would be opportunities under current conditions to add a minimum of 623 dwellings in FVRD electoral areas without rezoning or subdividing land. This would amount to an increase of 9.6% over the 6496 private dwellings identified in the 2021 census. And, it is almost two times the 331 additional dwelling units needed for the period 2021-2026 according to the 2021 Electoral Areas Housing Needs Report. In-stream zoning and subdivision applications will add to the number of potential dwelling units that can be built.

³ For regional districts, the funding formula is a flat amount of \$80,000 plus a per-capita amount of \$5.80. For municipalities, the funding formula is a flat amount of \$150,000 plus a per-capita amount of \$4.39. In total, the Province is providing \$51 million to local governments.

Eligible uses of these funds include:

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

The Province expects local governments to use this funding before December 31, 2025.

The table below summarizes the proposed use of the Housing Capacity Fund grant usage for each implementation option.

	Option 1	Option 2
Water/sewer system capacity risk assessment	\$90,000	\$90,000
Water/sewer infrastructure upgrade financing plan	\$13,000	\$0
Groundwater capacity and risk assessment	\$0	\$60,000
Identification & certification of lands subject to hazardous conditions exemptions	\$0	\$24,000
Interim Housing Needs Assessment	\$25,000	\$25,000
Temporary staff to assist with implementation	\$76,000	\$0
TOTAL	\$204,000	\$204,000

Note that grant fund allocations are approximate and meant to show rough apportionment only.

CONCLUSION

The Local Government Act was amended on December 7, 2023, to require local governments to update their zoning bylaws to allow the required density of small-scale multi-family housing units. For FVRD electoral areas, this means that secondary suites or accessory dwelling units (ADUs) in all single-family zones.

This report outlines two potential options for implementing the requirements of the new legislation:

- Option 1 involves a streamlined implementation approach that would be completed by March 31, 2025. It would involve no, or minimal, use of hazardous condition exemptions to avoid suites/ADUs. Instead, it emphasizes the use of enhanced development approval processes; assessment of FVRD water/sewer system capacity, and provincial oversight of groundwater to manage critical risks.

- Option 2 involves assessment of groundwater risk and consideration of hazardous condition exemption for highest-risk aquifers, if appropriate. Geohazard and water/sewer system capacity risks would be managed in the same way as in Option 1. Option 2 would require an extension to the implementation deadline to December 31/25 to allow time to complete the assessment of groundwater risk and ongoing modeling of the McConnell Creek aquifer.

A work plan and schedule is provided for each option. Both options require an application to the Minister of Housing to extend the deadline for amending zoning bylaws to meet the requirements of the new legislation.

Staff recommend proceeding with Option 2 subject to confirmation of costs and feasibility of conducting groundwater capacity assessments. If costs are not acceptable or assessment is not feasible, the Board will have an opportunity to change direction and reallocate grant funds.

If the Board prefers to proceed with Option 1, the following motion would be appropriate:

THAT the Fraser Valley Regional District Board direct staff to prepare and submit an application to the Minister of Housing to extend the deadline for amendments to FVRD electoral area zoning bylaws to accommodate small-scale multi-unit housing requirements set out in Bill 44: Housing Statutes (Residential Development) Amendment Act;

AND THAT the FVRD Board identify Option 1 in the staff report dated April 11, 2024, as its preferred implementation option.

If the Board would prefer to consider additional options, the following motion would be appropriate:

THAT the Fraser Valley Regional District Board refer the matter of implementation of Bill 44: Housing Statutes (Residential Development) Amendment Act back to staff for further consideration and identification of additional options.

COMMENTS BY:

Jennifer Kinneman, Chief Administrative Officer: Reviewed and supported.

APPENDIX A – Detailed Work Plans and Schedule for Options 1 & 2