

To: Fraser Valley Regional District Board

Date: 2025-04-24

From: Graham Daneluz, Director of Planning & Development

Subject: Update on Bill 44 Housing Statutes Amendment Act Implementation & Award of Contract for Servicing Review

Reviewed by: Katelyn Hipwell, Manager of Planning
Tareq Islam, Director of Engineering
Kelly Lownsbrough, Director of Corporate Services & CFO
Jennifer Kinneman, CAO

RECOMMENDATION

THAT the Fraser Valley Regional District Board authorize a sole-sourced agreement for services not to exceed \$203,923 + GST with Urban Systems LTD for the Small Scale Multi-Unit Housing Implementation and Servicing Review

BACKGROUND

The Province of BC adopted legislation - the Housing Statutes Amendment Act (Bill 44) - to require local governments to take a variety of actions intended to increase housing supply, choice, and affordability.

For FVRD electoral areas, Bill 44 means that:

- **Zoning for suites or ADUs:** FVRD must amend its electoral area zoning bylaws 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. 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.
- **Housing Needs Reports:** FVRD must receive an interim Housing Needs Report (HNR) for all electoral areas to estimate housing needs for 20 years. By December 31/28, FVRD must receive a standard HNR prepared using a standardized methodology prescribed by the Province. The HNR must then be updated every five years thereafter.
- **Official Community Plans (OCPs):** 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.

- **Public Hearings:** Local governments are 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.

DISCUSSION

Work Plan & Schedule Update

FVRD submitted a request to the Minister of Housing in May 2024 to extend the deadline for implementing zoning amendments to December 31, 2025.¹ This request was granted in September 2024.

An updated² work plan and schedule are provided in Appendix 1 of this report. It addresses the extension and work completed to date.

Some of the new statutory requirements have now been implemented, including:

- a new Interim Housing Needs Report estimating housing needs in Electoral Areas for the next 20 years was received by the Board; and,
- notice and public hearing practices have been updated to reflect the prohibition against holding a public hearing for residential developments consistent with the Official Community Plan.

Other tasks of the work plan to implement Bill 44 are underway:

- In March, letters and emails were sent to strata organizations and private utilities with FVRD electoral areas, as well as the Cultus Lake Park Board, to advise of the statutory requirement to amend zoning bylaws and request input on how the zoning change may affect their interests and operations. Private utilities were asked to share information about the capacity of the utility to support increased density. Input received will be included in future updates to the EASC /Board and factored into the implementation approach.
- Planning staff are:
 - assembling the data required to estimate build-out, population, and SSMUH uptake within FVRD water and sewer areas;
 - considering approaches to address suites or ADUs in areas of geohazards; and,

¹ Bill 44 required that zoning bylaws be amended by June 30, 2024.

² The FVRD Board approved a work plan for implementing Bill 44 in April, 2024. This update reflects the extension granted by the Minister of Housing, progress to date and a revised schedule of work plan tasks.

- identifying and assessing potential approaches to amend the zoning bylaws to permit suites or ADUs.

The next steps involve:

- engaging a consultant to:
 - estimate the potential uptake of suites / ADUs over time for each water and sewer service area, along with associated water and sewer demands and flows;
 - identify water and sewer system capacity constraints, potential upgrade requirements, and cost recovery strategies (e.g. user fee amendments); and,
 - assess the risks associated with increased density through SSMUH in areas that rely on on-site sewage disposal, particularly for smaller lot developments adjacent to lakes, areas of high groundwater, or areas where hydrogeological conditions are not conducive to on-site sewage disposal.
- drafting amendments to zoning bylaws for consideration by the Board³; and,
- preparing any supplementary tools necessary to address geohazard or groundwater risk and infrastructure needs.

Service Capacity Review

The work plan approved by the FVRD Board in April 2024 includes engaging a consultant to better understand: 1) the capacity of FVRD water and sewer systems, and upgrades required, to support SSMUHs; and, 2) risks associated with the development of SSMUHs in vulnerable areas with on-site sewage disposal.

FVRD has received a proposal from Urban Systems LTD (USL) to undertake this work. USL has **extensive experience with FVRD's water and sewer systems and is uniquely positioned to perform this work** within the compressed timelines required to meet the implementation deadline.

Staff recommend that the FVRD Board authorize a sole-source contract with USL in an amount not to exceed \$203,923 for this work.

COST

FVRD received \$203,923 from the Province of BC under the Capacity Funding for Local Government Housing Initiatives program to implement Bill 44. This funding can be spent on planning and implementation activities local governments need to undertake to successfully meet the legislative requirements of Bill 44. It cannot be used for purposes unrelated to implementing Bill 44.

100% of the cost of engaging USL will be covered by this grant.

This is a planned expenditure that is included in the 2025 EA Planning (603) budget.

³ Note that suites or ADUs are already permitted in 60% of zones that allow single family dwellings.

CONCLUSION

Actions necessary to implement the requirements of the Housing Statues Amendment Act (Bill 44) are well underway.

To meet the implementation deadline of December 31, 2025, staff recommend that the FVRD Board authorize a sole-sources contract with Urban Systems LTD at a cost not to exceed \$203,923 + GST to:

- estimate the potential uptake of SSMUHs over time for each water and sewer service area, along with associated water and sewer demands and flows;
- identify system capacity constraints, potential upgrade requirements and cost recovery strategies; and,
- assess the risks associated with increased density through SSMUH in areas that rely on on-site sewage disposal.

The cost for this work is entirely covered by the Capacity Funding for Local Government Housing Initiatives grant provided by the Province to implement Bill 44.

Appendix 1

Updated Work Plan & Schedule

[illegible]