

To: Electoral Area Services Committee

Date: 2025-07-10

From: Andrea Antifaeff, Planner II

Subject: Area C Official Community Plan Update – Consideration of Second Reading Bylaw No. 1747, 2024

Reviewed by: Katelyn Hipwell, Manager of Planning
Graham Daneluz, Director of Planning & Development
Beth Klein, Controller/Deputy CFO
Stacey Barker, Director of Regional Services/Deputy CAO
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RECOMMENDATION

THAT the Fraser Valley Regional District Board give second reading to the bylaw cited as *Fraser Valley Regional District Official Community Plan for Portions of Electoral Area C – Lake Errock and Harrison Mills, Bylaw No. 1747, 2024*;

THAT the *Fraser Valley Regional District Official Community Plan for Portions of Electoral Area C – Lake Errock and Harrison Mills, Bylaw No. 1747, 2024* be forwarded to Public Hearing;

THAT the Fraser Valley Regional District Board delegate the holding of the Public Hearing with respect to proposed *Fraser Valley Regional District Official Community Plan for Portions of Electoral Area C – Lake Errock and Harrison Mills, Bylaw No. 1747, 2024* to Director Dickey or, in their absence, to Director Dixon;

THAT Director Dickey, or in their absence Director Dixon, preside over and Chair the Public Hearing with respect to proposed *Fraser Valley Regional District Official Community Plan for Portions of Electoral Area C – Lake Errock and Harrison Mills, Bylaw No. 1747, 2024*;

AND FURTHER THAT the Chair of the Public Hearing be authorized to establish procedural rules for the conduct of the Public Hearing with respect to proposed *Fraser Valley Regional District Official Community Plan for Portions of Electoral Area C – Lake Errock and Harrison Mills, Bylaw No. 1747, 2024* in accordance with the *Local Government Act*;

AND FINALLY THAT in the absence of both Director Dickey and Director Dixon, at the time of the Public Hearing with respect to proposed *Fraser Valley Regional District Official Community Plan for Portions of Electoral Area C – Lake Errock and Harrison Mills, Bylaw No. 1747, 2024*, the Fraser Valley Regional District Board Chair is delegated the authority to designate who shall preside over and Chair the Public Hearing regarding this matter.

BACKGROUND

An official community plan (OCP) is a statement of objectives and policies to guide decisions on planning and land use management, within the area covered by the plan, respecting the purposes of local government as defined under Section 471 of the *Local Government Act*. While it does not authorize or commit the Regional District to undertake specific projects, the adoption of an OCP ensures that future bylaws and works are consistent with the policies set out in the OCP (*Local Government Act*, s. 478).

The current OCP for Area C was adopted in 2000. Over the past two decades, this plan has guided **growth and development in the area, shaping land use decisions and supporting the community's** evolving needs. Much of the original vision has been realized.

While the current OCP has served the community well, recent interest in residential, commercial and recreational development, particularly within the Harrison Mills and Lake Errock neighbourhoods, has made it clear that an updated policy framework is needed to guide decision-making and development. The updated OCP aims to reflect a vision for the future that balances growth with environmental stewardship, supports diverse housing options, and responds to the infrastructure realities of rural development. The *Fraser Valley Regional District Official Community Plan for Portions of Electoral Area C – Lake Errock and Harrison Mills, Bylaw No. 1747, 2024* has been developed in response to these priorities.

Following first reading in July 2024, the draft OCP, including the Harrison Mills Neighbourhood Plan and the Lake Errock Neighbourhood Plan, has been refined based on extensive consultation and technical review. The draft OCP is now ready for further consideration by the FVRD Board and the public.

DISCUSSION

Harrison Mills Neighbourhood Plan

The Harrison Mills Neighbourhood Plan (HMNP), presented as part of the Area C OCP, was developed in response to ongoing development interest in the areas, including residential, commercial and recreational proposals. Although the FVRD has not received an application for new development in Harrison Mills, developers have hosted public information meetings to present various development concepts. In response to this increasing interest, a neighbourhood planning process was undertaken to guide future growth. The HMNP does not respond to a site-specific application or concept but instead establishes a policy framework under which future site-specific development applications can be considered. The HMNP will support and guide future development interests in ways that support the objectives of the HMNP. The HMNP has been generally supported by the community after an iterative and community-driven planning process and is intended to be adopted by the FVRD Board in advance of site-specific redevelopment.

Feasibility

When deciding on whether to make a site-specific redevelopment application in Harrison Mills, a major consideration for potential developers will be the costs associated with civil servicing for the development. **Urban System's analysis of the financial viability of the HMNP concludes that *"the off-site infrastructure cost limits the financial viability of the overall development of the designated uses in Harrison Mills"*. This means that in today's market conditions, development is not likely to be financially viable right now.** However, adopting the HMNP will give future developers certainty on how the community wishes to develop and the infrastructure required to service future development.

Urban System's financial review forecasts an improved scenario where a combination of more efficient servicing, efficient development layouts, and a 25% increase in sales prices across all residential units would result in financially viable development. Therefore, the timing of future development in Harrison Mills will be dependent upon future market conditions, careful site planning and the initiative of private developers.

Lake Errock Neighbourhood Plan

In 2022, the FVRD received applications for zoning and official community plan amendments for the redevelopment of the Lake Errock Gravel Pit. The proposed development is known as the Harrison Rise proposal. The Lake Errock Neighbourhood Plan (LENP), presented as part of the OCP, was prepared in response to the development applications. It is based on the development and land use concept provided by the developer.

Although the zoning amendment application was withdrawn in March 2025, the application to amend the OCP is active and the LENP remains a component of the draft C Official Community Plan (OCP). The LENP establishes a policy framework that outlines requirements for future site-specific zoning applications, including policies that consider both on-site development and off-site impacts on the Lake Errock community. Should a new zoning amendment application to facilitate the redevelopment of the existing gravel pit be submitted in the future, the proposal will be evaluated against the policies set out in the OCP and LENP.

While the LENP establishes robust policies to guide future applications, public concerns have largely focused on the scale and density of the Harrison Rise development proposal rather than the supporting policy framework itself. While some residents have expressed frustration with the process and perceived lack of changes to the development concept, staff remain confident that the proposed OCP and LENP together provide a strong and transparent foundation to manage development impacts and secure meaningful community benefits while still reflecting the development concept presented in the application. Staff recommend proceeding to second reading, followed by a public hearing at which the community can express their views on the refined policy direction.

The LENP is built on key planning principles are non-negotiable in later stages. These embedded requirements provide a clear framework for both the public and the developer. They include the need for development to be financially self-sustaining and to result in service areas that are viable over the long term. The plan also requires a well-connected neighbourhood design that supports transit

service, an active transportation connection between Lake Errock and Harrison Rise, and significant community benefits such as improvements to water system resiliency and constructed capacity at the wastewater treatment plant to support both new and existing residents. These requirements are not discretionary conditions to be debated at rezoning; they are policy commitments that must be met as part of any future approvals.

Feasibility

When deciding on whether to make a site-specific zoning amendment application in Lake Errock (specifically for the Harrison Rise lands), a major consideration will be the costs associated with **servicing for the development**. Urban System's analysis of the current financial viability of the Harrison Rise OCP amendment concludes that *"the sewer infrastructure required to serve the proposed Harrison Rise development is not financially sustainable. Overall, the challenge being seen with the sewer infrastructure is the high fixed costs of the wastewater treatment plant and the few units in the early years. The model shows that there is a large accumulated deficit by the time the development achieves a break-even point when there are enough units for the tax and user rates to generate more funds than are spent on an annual basis, and the FVRD can start setting funds aside in the reserve fund. For many years there are not enough units in the proposed Harrison Rise development to support the costs of the wastewater treatment plant without high parcel taxes and user rates"*. The study also concludes that there would be financial impacts on existing ratepayers for the park and fire services required to support the Harrison Rise development. Costs associated with expanded water and solid waste services would not impact existing ratepayers and would be recoverable from the new development.

This means that in today's market conditions, development does not appear to be financially viable; market research indicates that the market will not support development today. However, economic conditions can change quickly. Adopting the LENP would establish the land use, servicing, and community benefit policies needed to beneficially develop the lands in the future when economic conditions are favourable.

Economic Realities and Policy Readiness

In both cases, economic analysis reveals significant development challenges related to servicing costs. Whether evaluating new greenfield development or expanding services into unserved areas, the costs are consistently high. These costs stem from the need to build infrastructure from the ground up, without the benefit of legacy investments in existing systems that can be built upon to accommodate new development. Despite differences in location and land use objectives, both feasibility studies highlight a shared challenge, the economic feasibility of development is constrained by the upfront capital required for servicing and infrastructure. Costs for materials, land, labour and borrowing needed to build new infrastructure are high at this time. In addition, the relatively lower rate of projected market absorption of new units in this area means that the breakeven point for infrastructure costs/revenues (when there are enough new housing units to financially support the new infrastructure) is pushed into the future causing a longer period of revenue shortfall.

This commonality underscores the fact that economics must be a foundational consideration in planning for new development areas. However, economic conditions are fluid. Market shifts, interest rate fluctuations, and external funding source availability (such as federal or provincial infrastructure grants), can quickly shift the viability of a development. Because of this volatility, it is essential for policy to stay ahead of economics in areas where significant growth is planned. A strong policy framework can provide a clear vision and a robust set of expectations that reflect current economic constraints while remaining adaptable to future change. Plus, it allows developers to move quickly when market conditions are favourable.

The draft OCP responds to these conditions by establishing practical, forward-looking policies that set **the stage for what is required to support future development, recognizing today's financial realities** while building flexibility to accommodate future shifts in funding, servicing capacity, or development feasibility.

Implications of Advancing the OCP Without a Zoning Amendment Application

A key consideration in adopting the draft OCP without a concurrent zoning amendment application is the impact on future public consultation. The draft Official Community Plan (OCP) includes land use designations for the Harrison Rise lands based on the development concept provided by the developer at the time of their zoning and official community plan amendment applications. The zoning amendment application was withdrawn by the developer in March 2025.

Should the OCP be adopted with the Harrison Rise lands designated as proposed, a future zoning amendment application aligned with these new designations would not trigger the same level of public consultation. In April 2024, legislative amendments through Bill 44 established new provisions in the *Local Government Act* related to public hearings. The changes specify that a local government must not hold a public hearing on a proposed zoning bylaw where:

- There is an OCP in effect for the area that is subject of the zoning bylaw;
- The bylaw is consistent with the OCP;
- 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 of the gross floor area of all buildings and other structures proposed as part of the development.

This means that if a subsequent zoning amendment application is consistent with the OCP, the Regional District cannot hold a public hearing on it. As a result, formal opportunities for community input are limited.

The adoption of the OCP with the proposed designations effectively sets the framework for future zoning and development approvals and limits the scope for additional community feedback on those specific land use decisions.

This fact emphasizes the importance of ensuring that public consultation during the OCP process is thorough, transparent, and inclusive, as it may be the only formal opportunity for community input on the proposed land uses for the Harrison Rise lands.

Consideration of Relevant Policies and Plans

In accordance with Local Government Act s. 477, the local government must consider the proposed OCP in conjunction with its financial plan and any waste management plan. The draft *Fraser Valley Regional District Official Community Plan for Portions of Electoral Area C – Lake Errock and Harrison Mills, Bylaw No. 1747, 2024* was drafted specifically to consider these relevant plans and is consistent with the policies contained therein.

Financial Plan

The draft OCP does not contain any commitments to provide new services, infrastructure, or facilities (though it contains policies representing these matters). Pursuant to s. 478 of the *Local Government Act*, official community plans do not commit or authorize the Regional Board to proceed with any project specified in the OCP. Any capital expenditure or establishment of a new service would require separate approval from the Regional Board and inclusion in the Financial Plan. The draft OCP was referred to the Chief Financial Officer for review, and the plan was determined to be consistent with the FVRD 2025-2029 Financial Plan Bylaw No. 1769, 2025.

Solid Waste Management Plan

The OCP policies related to the management of solid waste management were drafted to be consistent with the goals of the FVRD Solid Waste Management Plan. The draft OCP was referred to the Manager of Environmental Services for review and the plan was determined to be consistent with the FVRD Solid Waste Management plan.

Public Hearing

Public Hearing Chairperson

In accordance with the public hearing policy, the role of meeting chairperson shall be delegated by FVRD Board resolution. Given the scope, complexity, and anticipated high level of public interest and attendance of the public hearing staff recommend, that the Area Director not serve as the chair. Staff have recommended that Director Dickey or Director Dixon, in their absence be appointed as chair of the public hearing. This approach allows the Area Director to thoughtfully consider public comments without the added responsibility and procedural demands of chairing what is anticipated to be a well-attended public hearing.

Virtual Public Hearing

The FVRD aims to ensure public hearings are held in a manner that provides a safe, accessible, and convenient environment for all persons who believe that their interest in property is affected to be afforded a reasonable opportunity to be heard or to present written submissions. In accordance with

the Public Hearing policy, the public hearing formats for consideration are either virtual or in-person. When deciding on the format of the public hearing considerations related to safety, accessibility, and convenience of public hearing participants, and the safety of FVRD staff, are primary.

At the direction of the FVRD Board, a public hearing will be held following second reading of the draft Area C OCP. In accordance with legislative requirements, advanced notice of the hearing will be mailed to all property owners and residents within the Plan area. Notice will also be posted to the FVRD website, and the Have Your Say project page.

As outlined in the Public Hearing policy the benefits of a virtual hearing include:

- Greater accessibility to a range of participants, including people with
 - Limited mobility
 - Long travel distances
 - At-home responsibilities
 - Seasonal residences or properties
- Greater control over disruptive comments or unruly participants. This can result in a safer and more predictable environment
- Allows participants to participate via computer, device, or telephone from any location
- Well suited to matters applying to a large geographical area

Some challenges with this approach include:

- Less interaction between participants
- Residents must have internet services for visual components of the public hearing but can participate in the audio component of the meeting with any phone

Given the benefits described above, staff recommend conducting the public hearing in a fully virtual format.

Next Steps

The steps outlined in Table 1 present the revised consultation and engagement strategy pathway for the Area OCP update. Steps 1a and b and 2 have been completed.

We are currently in Step 3. Staff are bringing the draft OCP forward for 2nd reading followed by a public hearing (Step 4) anticipated in late summer.

This phased approach ensures a transparent and inclusive planning process, providing adequate opportunity for residents, Indigenous communities, agencies, stakeholders, and the FVRD Board to consider and provide comments on the various aspects of the Area C OCP update. This process will help to ensure that the final OCP and Neighbourhood Plans reflect the needs and aspirations of Area C residents.

Step	Responsible	Timeframe
1. Consultation on 1 st Reading draft		
a. Referrals	FVRD	Completed
b. Mail-out, Have Your Say Discussions	FVRD	Completed
2. Publication of Servicing Feasibility Study for Lake Errock Neighbourhood Plan	FVRD	Completed
3. Consideration of 2 nd Reading	FVRD Board	July 2025
4. Public Hearing	FVRD	August 2025

Table 1: Next Steps on the Consultation Path

COST

The Area C Official Community Plan update has been identified as a multi-year priority project for the 2024/2025 Electoral Area Planning work plan. Costs associated with this update are covered through the Electoral Area Planning Services budget.

Costs associated with consulting services for the review of the proposed Harrison Rise development are covered through capacity funding secured through the Developer Contribution Agreement between the FVRD and GWEB Holdings Inc.

Costs associated with the consulting services for the review of the Harrison Mills Neighbourhood Plan are covered through capacity funding secured through the Developer Contribution Agreement between the FVRD and Pretty Estates.

CONCLUSION

The draft *Fraser Valley Regional District Official Community Plan for Portions of Electoral Area C – Lake Errock and Harrison Mills, Bylaw No. 1747, 2024*, made available for public review in July 2024, has received considerable feedback from the public as well as affected parties. The amendments to the draft OCP reflect feedback received through the consultation process and technical analysis, and staff recommend that the draft OCP is ready for further consideration by the Regional Board and to subsequently proceed to public hearing.

OPTIONS

Option 1: (Staff Recommendation)

MOTION: THAT the Fraser Valley Regional District Board give second reading to the bylaw cited as *Fraser Valley Regional District Official Community Plan for Portions of Electoral Area C – Lake Errock and Harrison Mills, Bylaw No. 1747, 2024*;

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OPTION 2:

MOTION: THAT the Fraser Valley Regional District Board refer the Area C OCP back to staff and direct staff to remove the proposed Harrison Rise development components from the OCP to allow consideration of the Area C OCP and Harrison Mills Neighbourhood Plan to proceed independently;

AND THAT the Fraser Valley Regional District Board direct staff to bring the Harrison Rise development application back to the Board separately to allow consideration of potential options.