Corporation of the City of
NEW WESTMINSTER

REPORT
Planning and Development

To:	Mayor Johnstone and Members of Council	**Date**:	September 8, 2025
From:	Jackie Teed, Director, Planning and Development	**File**:	13.2610.01-2025 #2736538
		Item #:	2025-257

Subject: **Our City, Our Homes: Additional Option for Structuring Council Consideration of Housing Legislation and Housing Accelerator Fund Initiatives**

RECOMMENDATION

THAT staff proceed with the Option C in the Structuring Materials Section of the report titled "Our City, Our Homes: Additional Option for Structuring Council Consideration of Housing Legislation and Housing Accelerator Fund Initiatives" that would forward separate bylaws for consideration for Provincial Legislation Requirements, Housing Accelerator Fund Commitments Part 1, Housing Accelerator Fund Commitments Part 2, and future bylaws to complete the Remaining Work.

PURPOSE

To seek direction from Council regarding a newly identified option for structuring Council consideration of housing legislation and Housing Accelerator Fund initiatives, and the resulting revised timeline.

SUMMARY

To implement the Provincial Housing legislation and Housing Accelerator Fund (HAF) grant commitments, staff brought forward a report to Council on the June 2, 2025 and July 14, 2025 Regular Council Workshops seeking direction on elements to be included in the bylaws necessary to make the related Official Community Plan (OCP) and Zoning amendments. The item did not proceed in both cases, as quorum was lost.

Since Council's direction to use an "omnibus" bylaw approach on July 7, 2025, a third approach to structuring the work for Council consideration has evolved, based on the following principles:

1. Focus on bringing forward the amendments necessary to meet legislated requirements and HAF commitments, with work not directly tied to those moving to a later date;
2. Where technically possible, break into separate bylaws to reduce issues related to Council members' ability to participate in voting on the content and bylaws.

As a result, staff recommends bringing forward the work in the following steps, as described in Option 3 of the Structuring Materials Section of this report:

- <u>Bylaw #1: Provincial Legislation Requirements</u>
    - Housing Needs Report Implementation
    - Transit Oriented Areas (New Westminster, Columbia, Sapperton, Braid only, i.e. not including 22nd Street, as shown in the draft map in Attachment 1), including:
        - Alignment of OCP and Downtown Community Plan with Transit Oriented Development legislation by:
            - ❖ Enabling buildings of up to eight and twelve storeys through new land use designations
            - ❖ Including update to Commercial and Health Care, Commercial Waterfront designations, and designations that include caretaker suites
            - ❖ Including ground oriented infill housing as permitted use in TOD Areas
    - Affordable Housing Accelerator Zoning within Transit Oriented Areas
    - Miscellaneous Related OCP Updates
        - General OCP and Downtown Community Plan Land Use Map and Designation updates
        - Addition of public schools to Land Use Designations

- <u>Bylaw #2: Housing Accelerator Fund Commitments, Part 1</u>
    - Townhouse Accelerator OCP and Zoning amendments (as shown in the draft map in Attachment 2)
    - Affordable Housing Accelerator OCP (for townhouse properties)

- <u>Bylaw #3: Housing Accelerator Fund Commitments, Part 2</u>
    - Infill Housing Accelerator Program (as shown in the draft map in Attachment 3)
        - staff recommendations will be informed by direction from Part 1, and ongoing work being undertaken on this initiative.

- Future Bylaws: Remaining Work (not tied to one of the above deadlines)
    - Regional Context Statement, including Frequent Transit Development Areas
    - Transit Oriented Development Area edge extensions (as shown in the draft map in Attachment 4)
    - 22nd Street Station Area OCP amendments (as shown in the draft map in Attachment 4)
        - Determination of new study areas or land use designations
        - Note: technical work is under way per previous Council direction, and can continue to advance without Council direction at this time
    - Miscellaneous Related OCP Updates
        - Remaining Land Use Map and Designation updates
        - Climate policy updates

Advancing the work following these steps requires that the Regional Context Statement be considered after the other OCP amendments are complete, which would mean the City would continue to be out of alignment with the requirement to have the Statement updated by February 2024. Staff would advise Metro Vancouver of the above process and anticipated timeline for advancing the Statement for Council's consideration.

Should Council direct staff to proceed using the steps outlined above, it would require multiple bylaws, notifications and public hearings; and, it would be feasible to bring bylaws forward for Council consideration of first and second reading of the OCP Amendment Bylaw in advance of the December 31, 2025 housing legislation deadline and the February 24, 2026 Housing Accelerator Fund deadline which was extended by CMHC.

BACKGROUND

Housing Accelerator Fund Extended Deadline

In February 2024, the City was selected as a recipient a grant in the amount of $11.4 from the Housing Accelerator Fund (HAF). In receiving the grant, New Westminster has committed to implementing the HAF Action Plan that includes seven initiatives with set deadlines. The City has received an extension from CMHC to the original deadlines, and must meet the following dates:

- February 24, 2026 – Townhouse Program adoption deadline
- February 24, 2026 – Affordable Housing Accelerator adoption deadline

Provincial Housing Legislation Deadline

In November 2023, the Provincial Government introduced changes to the housing legislation. Under the new Legislation, municipalities are required to update their OCP by December 31, 2025. The proposed updates would align the OCP with the Transit Oriented Development Areas, and incorporate the findings of the 2024-2044 Interim

Housing Needs Report. This includes ensuring that the Land Use Designation Map can accommodate 27,523 new housing units by 2044 to meet the 20 year total housing need identified in the Housing Needs Report.

Metro Vancouver Referral Process

As a member municipality of the Metro Vancouver region, the City's Official Community Plan (OCP) includes a required Regional Context Statement (RCS), which demonstrates how the City is working to achieve regional goals established in the Regional Growth Strategy. The current Regional Growth Strategy (Metro 2050) was adopted in February 2022. Legislation requires the City to create a new RCS to align the OCP with Metro 2050 by February 2024; however, because of the timing of housing legislation requirements, the City has had to align work on the Statement with the implementation of the housing legislation, and has therefor been unable to meet the RCS update deadline.

Until the new Regional Context Statement is adopted, the City's OCP amendments must align with the current Statement.

Previous Council Direction

To implement the Provincial Housing legislation and Housing Accelerator Fund (HAF) grant commitments, staff included a report on the June 2, 2025 and July 14, 2025 Regular Council Workshops seeking direction on elements to be included in the bylaws necessary to make the related Official Community Plan (OCP) and Zoning amendments. The item did not proceed in both cases, as quorum was lost.

At the July 7, 2025 Regular Council Workshop, Council directed staff to use an "omnibus" bylaw approach to implement the Provincial Housing legislation and Housing Accelerator Fund grant commitments. A link to that report, which included Option A (approved by Council) and Option B, can be found here.

DISCUSSION

Structuring Materials

Since July 7, a third approach to structuring the work for Council consideration has evolved, Option C. The previous approved Option A involves staff including the same report from June 2, 2025 on the agenda for an upcoming Regular Council Workshop. Option C is detailed below, and is based on the following principles:

1. Focus on bringing forward the amendments necessary to meet legislated requirements and HAF commitments, with work not directly tied to those moving to a later date.
2. Where technically possible, break into separate bylaws to reduce issues related to Council members' ability to participate in voting on the content and bylaws.

Staff recommend proceeding using Option C, which would enable the City to bring bylaws forward for Council consideration in time for Council to consider First and Second Reading of the OCP Amendment bylaw in advance of housing legislation deadlines and to meet the new Housing Accelerator Fund extended deadline. This Option would require multiple bylaws, notifications and public hearings; and, would require that the Regional Context Statement be considered after the other OCP amendments are complete, which would mean the City would continue to be out of alignment with the RCS update deadline. Staff would advise Metro Vancouver of the above process and anticipated timeline for advancing the Statement for Council's consideration.

Outline of Option C

- Bylaw #1: Provincial Legislation Requirements
    - Housing Needs Report Implementation
    - Transit Oriented Areas (New Westminster, Columbia, Sapperton, Braid only, i.e. not including 22nd Street, as shown in the draft map in Attachment 1), including:
        - Alignment of OCP and Downtown Community Plan with Transit Oriented Development Area legislation by:
            - Enabling buildings of up to eight and twelve storeys through new land use designations
            - Including update to Commercial and Health Care, Commercial Waterfront designations, and designations that include caretaker suites
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    - Affordable Housing Accelerator Zoning within Transit Oriented Areas
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- Future Bylaws: Remaining Work (not tied to one of the above deadlines)
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    - Transit Oriented Development Area edge extensions (as shown in the draft map in Attachment 4)
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Option C Timeline

Through Option C, the City would be able to bring forward for Council consideration the bylaws related to:

a) Provincial housing legislation requirements prior to the end of this year, allowing Council consideration of First and Second Reading of the OCP Amendment Bylaw before the December 31, 2025 deadline;

b) Housing Accelerator Fund commitments in the first quarter of 2026, meeting the new February 24, 2026 extended deadline; and,

c) The Remaining Work in 2026.

The City will work to meet our general practices relating to public consultation and notification; however, due to the multiple timelines and complexity of a multiple bylaw approach, this may not be achieved in all cases. At a minimum, all legislated requirements will be met.

FINANCIAL IMPLICATIONS

The City was a recipient of an $11.4 million grant from the Housing Accelerator Fund (HAF). Delays in advancing the housing initiatives that result in missed deadlines can put this grant at risk; the funder (CMHC) looks at factors such how many days the deadlines were missed by, whether there is an overall pattern, and whether the delay means new housing units that were meant to be “accelerated” by the grant are not delivered as quickly.

CMHC has extended the City’s Housing Accelerator Fund project deadline to February 24, 2026.

Conducting multiple public hearings for multiple bylaws will have additional cost to the City related to multiple notifications and additional staff time. These costs would be funded through the related departments’ operating budgets.

OPTIONS

The following options are available for Council's consideration:

1. That staff proceed with the Option A in the Structuring Materials Section of the July 7, 2025 report titled "Our City, Our Homes: Implementation of Housing Legislation and Housing Accelerator Fund Initiatives – Next Steps" that would reforward for consideration the omnibus report.

2. That staff proceed with the Option C in the Structuring Materials Section of the report titled "Our City, Our Homes: Additional Option for Structuring Council Consideration of Housing Legislation and Housing Accelerator Fund Initiatives" that would forward separate bylaws for consideration for Provincial Legislation Requirements, Housing Accelerator Fund Commitments Part 1, Housing Accelerator Fund Commitments Part 2, and future bylaws to complete the Remaining Work.

3. That Council provide staff with alternative direction.

Staff recommends Option 2.

ATTACHMENTS

Attachment 1:	Draft Map of Bylaw 1 Focus Area (Provincial Legislation Requirements)
Attachment 2:	Draft Map of Bylaw 2 Focus Area (Housing Accelerator Fund Commitments, Part 1)
Attachment 3:	Draft Map of Bylaw 3 Focus Area (Housing Accelerator Fund Commitments, Part 2)
Attachment 4:	Draft Maps of Future Bylaws Focus Area

APPROVALS

This report was prepared by:
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