

PLANNING AND DEVELOPMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

**SUBJECT: FINAL REPORT OF THE CANADA-BRITISH COLUMBIA EXPERT
PANEL ON THE FUTURE OF HOUSING SUPPLY AND AFFORDABILITY**

RECOMMENDATION:

1. THAT Council receive the report for information.

REPORT

The Planning and Development Committee, at its meeting held on 2022 January 12, received and adopted the attached report providing information about the recommendations of the Expert Panel on the Future of Housing Supply and Affordability, and identifying areas of alignment with Burnaby's approach to housing supply.

Respectfully submitted,

Councillor P. Calendino
Chair

Councillor S. Dhaliwal
Vice Chair

Copied to: Chief Administrative Officer Deputy CAO / CFO GM Community Safety GM Corporate Services GM Engineering GM Parks, Recreation and Cultural Services GM Planning and Development Chief Human Resources Officer City Solicitor

TO: CHAIR AND MEMBERS
PLANNING AND DEVELOPMENT
COMMITTEE

DATE: 2022 January 5

FROM: GENERAL MANAGER PLANNING AND
DEVELOPMENT

FILE: 16000 20
Reference: Housing

SUBJECT: FINAL REPORT OF THE CANADA-BRITISH COLUMBIA EXPERT
PANEL ON THE FUTURE OF HOUSING SUPPLY AND
AFFORDABILITY

PURPOSE: To inform the Committee about the recommendations of the Expert Panel and to identify areas of alignment with Burnaby's approach to housing supply.

RECOMMENDATION:

1. THAT the Committee recommend that Council receive this report for information.

REPORT**1.0 INTRODUCTION**

In 2019 September, the governments of Canada and British Columbia established the Expert Panel on the Future of Housing Supply and Affordability. The panel's mandate was to examine supply-side aspects of housing and developing actionable recommendations to increase supply and affordability of housing in British Columbia. The panel met from 2019 October through 2020, consulting with various groups, including academia, private and non-profit housing providers, developers, elected official and the general public through an online survey.

The panel released its final report, "Opening Doors: Unlocking Housing Supply for Affordability", in 2021 June.

2.0 POLICY CONTEXT

There are several City policies that support the provision of non-market and market rental housing in Burnaby including: the *Mayor's Task Force on Community Housing Final Report* (2019), *Burnaby Housing Needs Report* (2021), *HOME: Housing and Homelessness Strategy* (2021), the *Official Community Plan* (1997), *Burnaby Economic Development Strategy* (2007), *Burnaby Social Sustainability Strategy* (2011), and the *Corporate Strategic Plan* (2017).

3.0 DISCUSSION

The panel's final report presents five main "calls to action" with 23 recommendations that fall under these broad directions. While most of the recommendations are directed at the Provincial and Federal governments, the results of the recommendations are likely to have implications for local governments. Generally, there is alignment between the report's recommendations and the City's approach to housing supply. The following section briefly summarizes the implications of the report's five Calls to Action and relevant recommendations.

The Metro Vancouver Regional District (MVRD) Board, at its meeting on 2021 November 26, also considered the panel's final report and approved a motion to send letters to the ministers responsible to express support for the overall goals and request that the Province engage with MVRD members before advancing recommendations that have implications for local government.

Action 1: Creating a planning framework that proactively encourages housing

This call to action responds to identified challenges related to the municipal development processes and includes seven recommendations for provincial and federal regulatory changes. Potential implications for local governments include:

- Imposing statutory time limits on municipal approvals processes;
- Requiring Official Community Plans (OCP) to set minimum housing targets based on Housing Needs Reports;
- Updating OCPs every five years and pre-zoning land to meet minimum housing targets;
- Changing legislation governing public hearings;
- Requiring OCPs to reflect minimum densities on privately-owned lands for housing development around publicly funded infrastructure;
- Making provincial and federal infrastructure investments conditional on local governments' allowances for greater densities; and
- Setting up a provincial development permitting system that will require ongoing local government updates.

Comments: The City is currently undertaking a review of the development approvals system with the aim of achieving greater efficiencies and simplifying individual processes where possible. This would in turn provide greater transparency and clarity to each process. The City has also recently adopted the Housing Needs Report and HOME: Burnaby's Housing and Homelessness Strategy, which will provide a framework for the development of future policy directions on housing and will inform a future review of the City's OCP.

Action 2: Reforming fees on property development

This call to action responds to the panel's concerns regarding the effects of development fees and charges, primarily negotiated community amenity contributions (CACs) on development approval timeframes and zoning. The potential implications for local governments that could result from the recommendations include:

- Establishing a prioritized list of infrastructure and amenity needs and including these in OCPs;
- Phasing out CACs and replacing it with broader categories for development cost charges;
- Implementing a new municipal tax system that would fund infrastructure and amenity needs; and
- Making senior government investments conditional on magnitude of housing supply growth in a municipality.

Comments: The City collects density bonus contributions to provide needed amenities to a growing population. Reducing or eliminating municipalities' ability to collect these contributions without a replacement source of revenue could significantly affect the City's ability to achieve the goals of creating a liveable and sustainable city.

Staff support the approach taken by the MVRD Board, which is to recommend that before advancing recommendations of the panel that have implications for local government, that the provincial government engage with MVRD members.

Action 3: Expanding the supply of community and affordable housing

This call to action responds to the panel's concerns regarding the net loss of affordable rental units despite the high demand for these units. There are five recommendations under this action that are primarily directed to other levels of government, however, one recommendation encourages all levels of government to make public lands available for the development of affordable housing.

Comments: The City established its City Lands Program for Non-Market Housing in 2015 to make available City-owned lands for the development of non-market housing. The City started the program with two sites and has now grown the program to 14 separate sites currently. The City has also adopted the Rental Use Zoning Policy, which requires 20% of units in new market housing developments in Town Centres be non-market rental housing and rented at "Burnaby Affordable" (20% below median rents in the area) rates.

Action 4: Improving coordination between and within all orders of government

This call to action responds to concerns regarding conflicting requirements between provincial and federal funding programs for affordable housing that may lead to delays or discourage housing development. There are four recommendations under this action and are primarily directed at other levels of government. However, one of the recommendations encourages local governments to offer density bonuses to affordable housing developers that receive funding from senior levels of government. The City's Rental Use Zoning Policy provides a density offset to offset the cost of providing non-market inclusionary and/or replacement rental units in developments within the Town Centres. This policy has been successful in increasing the number of market and non-market rental units in the city.

To: *Planning and Development Committee*
From: *General Manager Planning and Development*
Re: *Final Report of the Canada-British Columbia Expert
Panel on the Future of Housing Supply and Affordability*
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Action 5: Ensuring more equitable treatment of renters and homeowners

This call to action includes three recommendations focused on changes to tax policy and programs of the provincial and federal governments to account for the inequity that exists with benefits that are available to homeowners but not renters.

Comments: While the proposed recommendations would not have significant implications for local governments, there could be implications for housing affordability. Reducing or eliminating taxation inequities between renters and homeowners would be a positive change. However, reducing certain tax subsidies to homeowners who own their primary residence would result in increased tax burden for these homeowners and could also result in the associated costs of homeownership becoming even further out of reach for some renter households looking to enter homeownership.

4.0 CONCLUSION

This report highlights the five calls to action to increase housing supply presented in the final report of the Canada-British Columbia Expert Panel on the Future of Housing Supply and Affordability. The City of Burnaby has undertaken several initiatives that align with many of the recommendations of this report and staff consider that no further additional actions are required at this time. It is recommended that Committee and Council receive this report for information.



E. W. Kozak, General Manager
PLANNING AND DEVELOPMENT

CS:sa

Copied to: Chief Administrative Officer
Deputy Chief Administrative Officer and Chief Financial Officer
General Manger Corporate Services
General Manager Community Safety
General Manager Engineering
General Manager Parks, Recreation and Cultural Services
Chief Human Resources Officer
City Solicitor
City Clerk