LIDSTONE & COMPANY

BARRISTERS AND SOLICITORS

MEMORANDUM

TO: Clients

FROM: Don Lidstone, K.C.

DATE: November 21, 2022

RE: Housing Supply Act

FILE: 99999 - 044

The Province of British Columbia today announced its initial steps to address housing supply. The proposed legislation, the *Housing Supply Act*, is intended to move local governments in the direction of meeting housing supply targets and to expedite housing construction in communities with the greatest need by way of improved logistics between the Province and the local governments.

The *Housing Supply Act* will create housing targets for fast growing local governments or where housing is deemed to be falling behind needs. At this time, the Province says there are 8 to 10 such communities. These have not vet been announced.

The key provisions of the Act appear to provide for the Provincial Cabinet to enact orders-in-council to supersede local government land use efforts and procedures in order to meet housing supply needs. The legislation is expected to be introduced imminently and be in force in mid-2023.

Among other things, the legislation is intended to rush local zoning by imposing the threat of the provincial override and fines. If a provincial official makes an assessment that a local government is not meeting targets, the Housing Minister Murray Rankin would issue a "directive" that the Council or board take prescribed actions, failing which the override could be expected.

This approach builds on the elimination of mandatory zoning public hearings in 2021 and the requirements of the 2019 BC Housing Needs Reports Regulation <u>Housing Needs Report Regulation (OIC, Order-in-Council 205)</u> which requires all local governments to complete housing needs

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Calgary Office: Bow Valley Square 2, #3300 - 205 5th Avenue, SW Calgary, AB T2P 2V7 reports for their communities by April 2022 and every five years thereafter. The reports are intended to help ascertain current and future housing needs by collection of some 50 classes of local data, including population, household income, economic sectors, and housing units. The regulation and provincial guidelines prescribe the kinds of content and format for the reports.

The legislation as described to date does not address issues raised by BC municipalities: the issue of supply is different from and does not address the issue of affordability; local democracy and consultation need to be balanced with centralized planning; municipalities cannot do it alone; it is the Province and not municipalities that makes rules regarding building construction; sewer/water/drainage/roads for new housing should not be subsidized by existing taxpayers; and outside forces (supply chains, inflation, borrowing rates, worker shortages and other things have slowed housing development.