KITIMAT
A Marvel of Nature and Industry

SPECIAL MEETING OF COUNCIL
MEETING TO BE HELD IN THE COUNCIL CHAMBERS, 606 MOUNTAINVIEW SQUARE ON MONDAY, FEBRUARY 24, 2025, AT 7:00 P.M.

Public Participation

The public can view the livestream of Council meetings on our Council Meeting Livestream webpage.

The public may attend in person. To participate electronically please contact the district office at (250) 632-8900 or email dok@kitimat.ca before 4:30 p.m. the day of the meeting.

1. Call to Order
2. Public Input / Questions on Agenda Items
3. Media Inquiries - For Clarification Only
4. Adoption of Agenda

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5. Report – Development Approval Process Review – Gap Analysis (7.2.60)

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6. Report – North Central Local Government Association – 2025 Annual General Meeting Resolutions Report #4 (1.5.2.4)
7. Move to a Closed Meeting of Council

   In compliance with the *Community Charter*, Council will move to a Closed Meeting for one or more items falling under:

   - Section 90(1)(e), land
   - Section 90(1)(i), legal; and
   - Section 90(1)(k), municipal service.

8. Reconvene and Adjourn the Special Meeting of Council

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COUNCIL REPORT

Date: February 14, 2025

File: 7.2.60

To: Warren Waycheshen, CAO - for Mayor and Council

From: Ryan Beaudry, Director of Planning

Re: Development Approvals Process Review – Gap Analysis

Applicant: N/A

Location: N/A

Recommendation:

Action: Council receive the report for information.

Recommended Motion:

THAT the Development Approvals Process Review – Gap Analysis report dated February 14, 2025 be received for information.

Background:

At the March 4, 2024 Regular Meeting, Council passed the following motion:

> *"THAT Council support the grant application to the Union of BC Municipalities Local Government Development Approvals Program to review and update the District of Kitimat's development approvals process;*
>
> *AND THAT the District of Kitimat, if successful, will provide overall grant management."* (R24-049).

The purpose of this report is to follow up on Motion R24-049 by providing: (1) an update on the status of the grant application; (2) an overview of the project procurement, team, scope and work completed to date in Phases 1 and 2; and (3) an outline of upcoming work in Phase 3 of the Development Approvals Process Review.

Stantec will be in attendance to deliver a presentation to Council on the findings of the first two phases of work. A Gap Analysis Report prepared by Stantec is included as **Attachment A** for Council's information and presentation slides are included as **Attachment B.**

1. Update on Grant Application

In spring 2024, the Union of British Columbia Municipalities (UBCM) announced that the District's application was successful and that 100% grant funding will be provided to undertake a Development Approvals Process Review. The intent of the grant, as stated by the UBCM, is to support the implementation of established best practices and to test innovative approaches to improve development approvals processes while meeting local government planning and policy objectives.

The Development Approvals Process Review involves undertaking research, identifying options, and preparing recommendations for Council's consideration on different aspects of the District's development approvals processes, with the intent of improving overall efficiency and effectiveness. The scope of work approved by the UBCM includes a review of: procedures and

fees for all types of Planning applications, methods for issuing public notice and collecting public input, and delegated authority from Council to staff for decisions on minor permits. The deadline for completion of the Development Approvals Process Review and reporting to the UBCM is spring 2025.

2. Overview of Project Procurement, Team, Scope, and Work Completed to Date

In summer 2024, staff issued Request for Proposals (RFP) 2024-18 inviting qualified consulting firms to bid on the Development Approvals Process Review based on the approved grant. The contract was awarded from several submissions.

The Development Approvals Process Review was launched in fall 2024, with a project startup meeting held on November 6, 2024. The consultant has since been working on the project following a work plan consisting of three phases of work. To date, the consultant has completed Phase 1 (Project Start-up) and most of Phase 2 (Research and Analysis). The final step of Phase 2 is the preparation of a Gap Analysis Report (**Attachment A**) and presentation of the Report to Council for information (**Attachment B**).

3. Upcoming Phase of Work

Following presentation of the Gap Analysis Report to Council on February 24, 2025, the Development Approvals Process Review will proceed to Phase 3 (Recommendations). The focus of Phase 3 is the preparation of a final report addressing findings identified in the Gap Analysis Report and providing recommendations for Council's consideration. The final report will be presented to Council in spring 2025 before submission to the grant funder as part of the reporting process. Implementation of recommendations in the report may follow based on Council's direction.

Alternative Options:

1. Another option as developed through discussion of Council.

Budget Implications:

Funding for the Development Approvals Process Review is being provided by the Province of B.C. through the UBCM Local Government Development Approvals Program.

"SLT"
Director of Finance Initials

Budgeted: X **Unbudgeted:**

Council Initiative/Other Relevant Plans:

Strategic Plan (2023-2026)
Priority 1 (Economic Development) and Priority 2 (Housing)
Joint Strategic Plan for Haisla Nation Council – District of Kitimat (2024-2029)
Not considered
District of Kitimat and Haisla Council Friendship Agreement - gi guáƛaṗ nis
Not considered

Community Energy and Emissions Plan
Not considered
Housing Action Plan and Needs Assessment
Not considered
Kitimat Age-Friendly Assessment Report and Action Plan
Not considered
Kitimat Cycle Network Plan
Not considered
Kitimat Poverty Reduction Strategy
Not considered
Leisure Services Master Plan
Not considered
Minette Bay West Concept Plan
Not considered
Official Community Plan (and Downtown Design Guidelines)
Section 4.7 – Meet Responsibilities in Governance
Solid Waste Action Plan
Not considered
Water Conservation Plan
Not considered
BC Transit Future Services Plan
Not considered
Economic Development Strategic Plan (2023-2029)
Goal 1 (Enable Housing Choice and Affordability) and Goal 4 (Grow Business Small to Big)

"Ryan Beaudry"
Submitted by
Ryan Beaudry
Director of Planning

"Warren Waycheshen"
Approved for Submission
Warren Waycheshen, CAO

Attachment(s): A – District of Kitimat Development Approvals Process Review – Gap Analysis Report dated February 18, 2025 prepared by Stantec
B – Stantec Presentation Slides

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To:	District of Kitimat	From:	Chris Wilcott Planner, Stantec Vancouver
Project/File:	115824161	Date:	February 18, 2025

Reference: District of Kitimat Development Approvals Process Review (DAPR) – Gap Analysis Report

1 Introduction

In 2024, the District of Kitimat (District) hired Stantec Consulting Ltd. to assist them with a Development Approvals Process Review (DAPR). This project is being funded by a grant provided by the provincial government through the Union of BC Municipalities (UBCM). The purpose of this grant is to assist local governments to review the efficiency and effectiveness of their development approvals processes and identify opportunities to streamline these processes. The Province of BC has also passed new housing and local government legislation with the goal of accelerating development approvals and encouraging the development of higher density housing, especially in communities with a shortage of housing.

To date, the District has completed one of the new legislative requirements under Bill 44, which is to prepare an interim Housing Needs Report (HNR). The interim HNR forecasts that an estimated 627 housing units will be needed in Kitimat in the next five years, and 1,304 housing units will be needed over the next 20 years. The District's Official Community Plan (OCP) must be updated by December 31, 2025 to reflect the current and future housing needs identified in the interim HNR. This work is currently underway through the Complete Communities Study and Housing Focused OCP Update project.

The District's Development Approvals Process Review is timely, as it will help assess if there are any issues that may be affecting the creation of new housing or other types of development (eg: commercial) in Kitimat, and will also identify potential actions for Council's consideration. Based on this objective, the project explores potential improvements to the District's existing development approvals process, fees, public notification procedures, and the delegation of approval authority for certain application types to District staff. The project will be complete and finalized before the grant funding deadline of May 30, 2025.

As part of the DAPR process, Stantec has evaluated the District's current development approvals process, and interviewed District staff, local developers, and other comparable local governments to determine what is currently working, what could be improved, and where there are gaps in the process. This memo provides a summary of that analysis.

1.1 Project Methodology

The DAPR project was initiated in early November 2024 when project expectations and goals were agreed to by District staff and Stantec's team. At that time, all District regulations, policies, procedures, and other information was made available to Stantec for review. The District provided the names of key staff members involved in the development review process to be interviewed. An interview guide was prepared that outlined questions to be asked of each staff member, and questions focussed on getting their perspectives on what is currently working well and what could be improved. The interviews were conducted using Microsoft Teams between December 20, 2024 and January 16, 2025.

The following staff members were interviewed:

- Director of Planning – Ryan Beaudry
- Manager of Planning – Krysten Hogan
- Planner 1 – Sarah Mclaughlin
- Director of Engineering Services and Approving Officer – Alex Ramos-Espinoza
- Deputy Director of Operations – Noel Simpkins
- Director of Finance – Sue-Lin Tarnowski
- Director of Economic Development – Walsham Tenshak
- Deputy Chief Administrative Officer – Kiona Enders
- Fire Chief – Trent Bossence
- Deputy Chief of Operations – Derek Collier
- Deputy Chief of Prevention & Training – Scott Pritchard
- Horticulturalist – Todd Gesshe

The questions asked during staff interviews included the following:

1. Please introduce yourself, your position, and how long you have worked for the District.
2. Please explain your role in the development review process or in the District's administration.
3. Is the internal process for how development applications are processed clear and documented? Please describe that process from your perspective.
4. Please describe how your internal referral / circulation process typically occurs.
5. Are there any types of development applications (rezonings, development permits, or Official Community Plan amendments) in which you think the process could be improved?
6. Do different types of applications run concurrently or sequentially? For example, are rezoning and development permits processed at the same time or is the rezoning approval required before development permit is processed?
7. In your opinion, what elements of the development review process work well?
8. What are the challenges with the current process? How could it be improved? Where is additional support or information needed?
9. Does the District have a formal pre-application review process? If so, is it useful? If not, do you think it would be helpful for applicants and staff?
10. Do you think there are opportunities to delegate more decision-making authority to District staff? For example, projects less than $200,000 or other situations.

11. Do you think there are certain applications that do not need to be referred to the Advisory Planning Commission?
12. Do you think the current public notification requirements are adequate? Do you think that requirements need to be updated or clarified?
13. What information is available to developers and how is it shared?
14. Do you think developer expectations are realistic? Is expectation management an issue?
15. What are the biggest hurdles that you hear expressed by developers? For example, costs, studies, timelines, or forms.
16. Is the District charging the right development fees?
17. How does the District pay for growth? For example, taxes, application fees, development cost charges, amenity cost charges, or other methods. Is the current model for funding growth financially sustainable?

Stantec held interviews with representatives from the planning departments of eight local governments. The local governments were selected based on their geographic location and their population size relative to Kitimat. Representatives from the following local governments were interviewed:

- City of Castlegar
- City of Fort St. John
- City of Prince George
- City of Prince Rupert
- City of Terrace
- City of Williams Lake
- District of Houston
- District of Vanderhoof

The questions asked during the local government interviews included the following:

1. Please introduce yourself, your position, and how long you have worked at your organization.
2. Please explain your role in the development review process.
3. Is the internal process for how development applications are processed clear and documented? Please describe that process from your perspective.
4. Please describe how your internal referral / circulation process typically occurs.
5. In your opinion, what elements of the development review process work well?
6. Does your organization have a pre-application review process?
7. Do different types of applications run concurrently or sequentially? For example, are rezoning and development permit processed at the same time or is the rezoning approval required before development permit is processed?
8. What types of applications are delegated to staff and are not required to go to Council? Are there thresholds to determine what can be delegated?
9. Please explain your public notification requirements.
10. Please share your development proposal fee schedule.
11. What information is available to developers and how is it shared?

12. What are the biggest hurdles that you hear expressed by developers? For example, costs, studies, timelines, or forms.

Stantec also interviewed representatives of the development community who have gone through the development approvals process in the District of Kitimat. Four developers who have completed projects in Kitimat, including one locally based developer, were interviewed. All four of the developers also have experience with development approvals in other municipalities outside of Kitimat.

The questions asked during the developer interviews included the following:

1. Please introduce yourself and describe the type of development projects your organization typically does.
2. Can you tell us about your experience getting development approvals from the District of Kitimat?
3. In your experience, are the District's expectation and requirements clearly defined?
4. What works well with the current process?
5. What are the challenges with the current process? How could it be improved?
6. Do you have any experience carrying out development projects in other communities? If so, how does your experience in Kitimat compare?

Lastly, Stantec conducted research to confirm compliance with the *Local Government Act* and conducted a background review to determine best practices that were identified during the interview process and based on Stantec's experience.

2 District of Kitimat Development Approvals

2.1 Process Overview

The *Kitimat Municipal Code, Part 9, Division 2, Subdivision 2* outlines the District of Kitimat's development approvals process at a high level. Generally, the District's process for development projects that require an Official Community Plan (OCP) amendment or zoning amendment (rezoning) is as follows:

- An informal pre-application meeting is held with the applicant if they request one.
- An application is submitted to the District.
- The application is reviewed for completeness and fees are collected.
- The planner assigned to the application reviews the proposal against applicable legislation.
- The proposal is brought to Council through a For Consideration Report to determine if Council wishes to proceed with the application and direct staff to prepare an amendment bylaw.
- The application is referred by the assigned planner to internal, and if applicable, external review groups.
- An internal Project Evaluation Team (PET) meeting is held to give relevant internal referral groups an opportunity to discuss the application's merit and to identify any required amendments, or to suggest improvements to the application.
- If required, feedback is provided to the applicant by email.
- If required, the applicant submits a revised application.
- Staff prepare an amendment bylaw and bring it forward to Council for consideration of 1st and 2nd Readings, referral to the Advisory Planning Commission (APC), and scheduling of a Public Hearing if required.
- The application may be referred by Council to the APC for a recommendation.
- Public notice is issued.
- Following the APC meeting, a Public Hearing is held if applicable, followed by Council's consideration of 3rd Reading and adoption*.

  **If other conditions (such as a servicing agreement or legal conditions) exist, the application will be held at 3rd Reading until the applicant has addressed all conditions. Once all conditions are addressed, the application is brought to Council for consideration of Final Adoption.*

Development Permits (DPs), Development Variance Permits (DVPs), and Temporary Use Permits (TUPs) do not require Public Hearings nor bylaw readings at Council, but otherwise, these applications follow the same general process outlined above.

The typical development approvals process in BC is outlined in the graphic below.

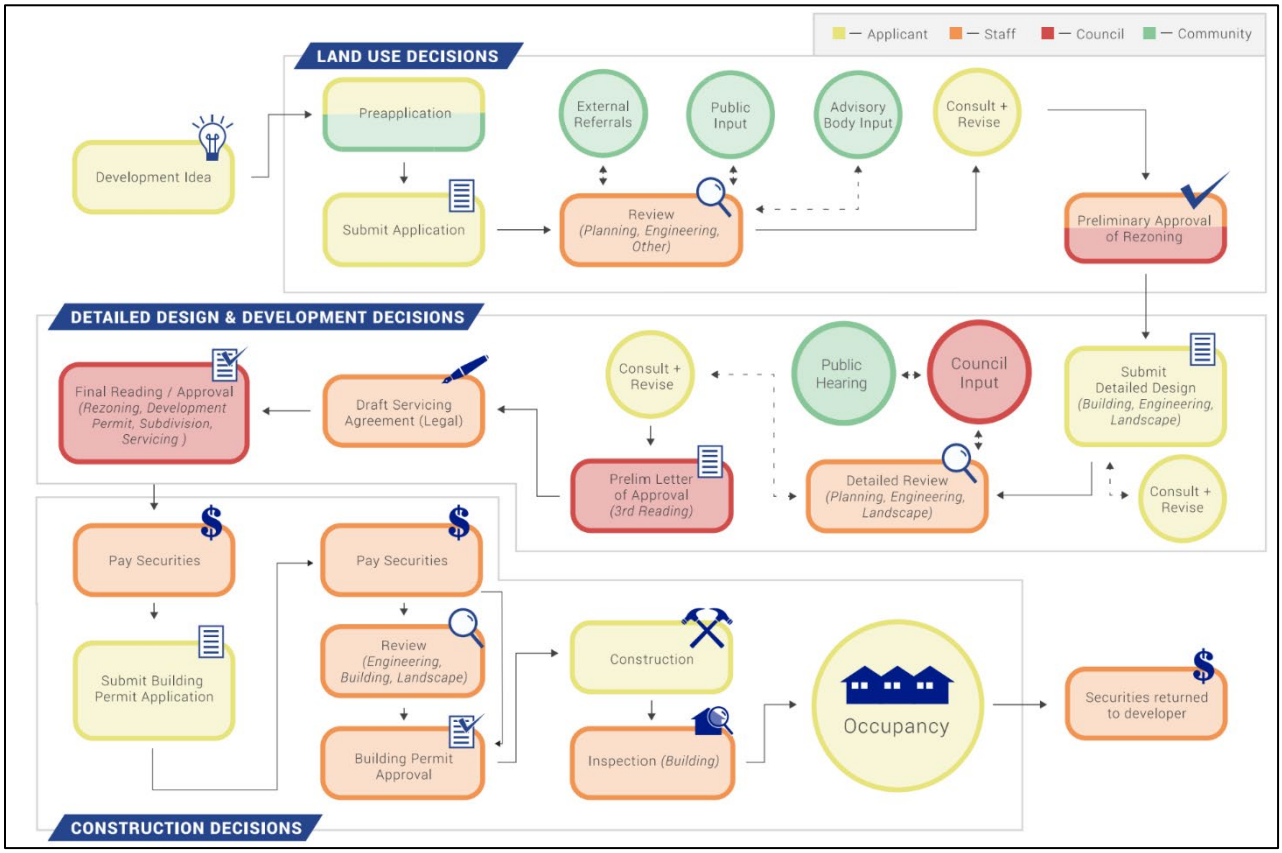

Figure 1: Typical Land Development Approvals Process in BC - Source: Getting to Groundbreaking - Year 2

The District's development application review process mirrors the process followed by many communities in BC with two exceptions. These include the initial 'For Consideration' and 'For Information Only' introduction reports, and the involvement of the APC.

2.1.1 Staff Comments on the Process

District staff have an important role in supporting the District's Development Approvals Process Review. They have a strong working knowledge of the District's processes and are able to identify elements which are working well, and opportunities for improvement. The following section summarizes comments from District staff regarding process improvements that could be made to deliver better outcomes for applicants and the District.

According to District staff comments, the current process generally works well, although it was noted that there is not a clearly defined official development application review process that was used consistently by the planning department. Over the last few years, there has been staff turnover at the management level, which resulted in slight variation to the process depending on the manager's direction. It was identified that there would be a benefit to formalizing the process as this will provide consistency and resiliency moving forward.

The informal pre-application process is seen as having a lot of value as it is an opportunity to let applicants know about the process overall, the submission requirements, the appropriate zoning and, if applicable, the DP requirements. It is thought that there may be value in creating a formal pre-application process for larger-scale development proposals where applicants get to discuss their application with the most relevant District departments.

Staff see a lot of value in the PET meetings, with some interviewees noting that it is a good way to ensure that referrals are considered by all departments in a timely fashion. Others commented that the PET meetings are effective at breaking down silo thinking and ensuring different departments' concerns are understood by the other internal groups.

There were concerns raised about the value of writing a For Consideration Report or For Information Only report to Council to introduce simple applications, noting that this adds time to the process. Others are supportive of these reports, noting that while they add time to the process, they give staff and applicants greater confidence regarding the outcome of the application early in the process. For example, if Council does not support an application at the For Consideration Report stage and denies the application, this saves staff time and the applicant's time and money.

Without a Terms of Reference, staff has struggled to maintain and keep the Downtown Design Panel active. Through to 2019, the Panel's activities (appointing members and making referrals) seem to be through prior Planning management's experience of the process which has been lost over time. If there is a desire to continue with a Downtown Design Panel, it would benefit from Council revisiting their role to provide clear direction to staff. Some options include:

- Resetting the Panel and referring development permits in the Downtown Revitalization Area (DRA) Development Permit Area (DPA) to them for comment, as was the previous practice;
- Formally dissolve the Panel and forward downtown development permits to the APC for comment; this is the current practice in the absence of an active Downtown Design Panel; or

- Blend the Panel with the APC such that there are designated downtown representatives on the APC, and forward downtown development permits to this group for comment.

In the event Council wishes to reset the Panel and return to the past practice of referring development permits in the DRA to the Panel for comment, providing guidance through a Terms of Reference would be valuable for all involved.

Finally, there were concerns raised about the number of items that are referred to APC and the time this adds to the overall processing of an application. Staff appreciate the importance of the APC in that it provides a community-led review of a development proposal. However, some interviewees suggested that perhaps some minor, low value types of applications may not need to be forwarded to the APC. The *Kitimat Municipal Code* (KMC) and the APC Policy outline what types of applications are referred to APC, but the regulation and the policy are inconsistent. The different wording in the KMC and APC Policy require staff to make interpretations as to how to process applications.

APC is made up of members of the public and its mandate is to provide advice to Council on land use application, policies, regulations, and initiatives that are referred to the Commission directly by Council. Changing the process so that low value DPs, minor DVPs, and certain TUPs would not go to the APC could save time for staff and developers and allow the APC to focus on the more complex applications.

Potential Actions:

- Further formalize the internal development application review process to ensure a consistent approach between staff members and provide a framework for training new staff. This can be done by creating process flow diagrams and using checklists.

- Create a formal pre-application process for larger projects. This could continue to be a free service as is currently the case, or the District could explore requiring applicants to pay a modest fee for a meeting with an appropriate group of District staff and receiving summary notes documenting key considerations. This would enable issues to be comprehensively identified and discussed with applicants early in the process.

- Evaluate if certain types of development applications need to be brought to Council with a For Consideration or For Information Only report. Bypassing this step will save staff time and the applicant's time and money.

- Revisit the role of the Downtown Design Panel and if reset, create a Terms of Reference for that body.

- Review the scope of the APC and revise the relevant sections in the KMC and the APC policy to ensure regulations and policies are consistent. This would likely occur if the Downtown Design Panel were integrated into the APC.

- Evaluate which applications should be referred to APC and which applications could not be required to go through this review.

2.2 Delegated Authority

In the District, most planning approvals are decisions of Council and there are a few tasks that are delegated to staff. Fence permits, sign permits, temporary use permits, and development permits within the DRA under $50,000 in value are delegated to staff.

Staff had a variety of suggestions for how the District could better delegate applications to staff. There was a consensus that a $50,000 value for projects in the DRA does not afford much development and this value should be re-examined and potentially increased. It was also noted that there is an opportunity to broaden the geographic area where DPs could be delegated. Minor amendments to a DP, such a changing a façade's colour or building material, could also be delegated to staff which would help with review timelines.

There was support for delegating the approval of DVPs that fell below a certain level of variance from the zoning regulations to staff (eg: less than 20% variance from the zoning regulations). Finally, the delegation of minor TUPs, such as TUPs for low impact uses or TUPs that fall below a certain period of time, was also suggested. Staff noted that the KMC currently provides the Director of Planning with delegated authority to approve TUPs, but lacks a framework to assist the Director in deciding when to use this delegated authority. If Council is supportive of increasing the authorities delegated to staff, it was commented that it was important to clarify what can be delegated and the appropriate thresholds in the KMC.

It was noted that the current reporting requirements of delegated applications to Council can be time consuming and staff proposed that the reporting could be done on a quarterly basis. For example, staff would bring forward a report providing short overviews or a list of the decisions made by the delegated staff over the quarter. Finally, it was suggested that if more application types are delegated and/or the existing delegated authorities are expanded, then the fees for these applications could be reduced as there would be less staff time needed to process the applications.

Potential Actions:

- Increase the $50,000 project value threshold for delegated DPs in the DRA. The increased value, if supported, would be defined by Council.
- Allow for the delegation of DPs in areas outside of the DRA.
- Delegate minor amendments to DPs.
- Delegate the approval of DVPs below a certain threshold of variance from the zoning regulations in the KMC.
- Allow for the delegation of TUP approvals if the TUP is for certain low impact land uses as defined by Council, or the duration of the proposed use is under a specified period of time as defined by Council.
- Update the delegated application reporting requirements to Council so that they are provided on a quarterly basis.

2.3 Bylaws and Policies

Staff generally thought that District's Bylaws and Policies were working well but also had some suggestions for improvement.

Some commented that the development procedures section of the KMC (Part 9, Division 2, Subdivision 2) should be reviewed and updated where necessary as it is now 25 years old. The section sets out the general development approvals process at a high level, but does not provide sufficient clarity. The KMC provisions could be updated to provide Council, staff and the public with more detail about the process according to application type. Specific information could be provided about introduction to Council through a For Consideration or For Information Only Report, APC, number of readings, Public Hearing, and final adoption. This could also be supplemented through the creation of a Development Approvals Policy that would formalize the review process for staff.

Staff noted that there are sections of the KMC dealing with planning regulation that are unclear or inconsistent, requiring staff to make an interpretation as part of the decision process. One Director of Planning may interpret things differently from another, resulting in an inconsistent application of zoning regulations over time. It was suggested that the District develop an Interpretation Guide to help staff interpret regulations and ensure consistency in application review.

Staff also noted that the KMC is not easy to navigate and some interviewees suggested that Part 9 be amended to make it easier for potential developers to understand the District's development regulations.

According to other local governments, the best practice is to identify the most common and supportable DVPs and adjust the zoning regulations to permit those variances. This results in fewer DVPs being required saving staff time and result in a more efficient process.

Potential Actions:

- Update the KMC to provide more clarity to applicants and staff about the development approvals process.
- Create an Interpretation Guide for planning staff to ensure that regulations are applied consistently.
- Review the KMC and consider amendments, such as creating one division for all zones and land use development regulations (similar to a Zoning Bylaw in other local governments) and one division for development procedures (similar to a Development Procedures Bylaw in other local governments).
- Conduct a DVP review to determine the most commonly approved variances and then update the KMC zoning regulations accordingly. This reduces the number of DVPs that have to be applied for.

2.4 Public Notification

Overall, staff commented that the recent revisions to the public notification process are working well and that the public have the opportunity to be well informed about development occurring in the community; however, there were suggestions for improvement. Interviewees noted that public notification requirements can vary by application type. Developing application guides, including public notification requirements, would provide more clarity and help to provide a consistent approach by staff.

It was noted that for certain application types, the distance of the notification should be dependent on the scale of the proposed development, with major developments potentially requiring a larger mailout. For projects that meet certain criteria or exceed certain thresholds it was suggested that it may be appropriate to require placement of a development proposal sign on the proposed development site.

Staff noted that the notification requirements for DPs caused misunderstanding among the public, where there is sometimes a perception that the land use (eg: commercial, multi-family residential, etc.) of the proposed development could still be challenged at the DP stage, which is incorrect. There are no legislative requirements for public notices for DPs, therefore it was commented that clarifying the wording of DP mailouts to specify that the public is being informed of the proposed development, rather than being consulted on the use of the proposed development, would better manage public expectations.

Finally, staff suggested that there is the opportunity to make better use of the District's website and the Kitimap GIS webpage (Kitimap) to make it easier for the public to get information about ongoing development projects. On the District's website, a page could list all active development applications along with their status. Similarly, it was suggested that a layer could be added to Kitimap that shows the status and location of current and past development applications, in addition to a layer showing District-owned land that is for sale.

<u>Potential Actions:</u>

- Create a public notification policy that outlines the notification requirements by application type. This policy could also clarify when planning staff may want to broaden notification requirements and/or add a requirement for an on-site development proposal sign.
- Rewrite the DP notification text to make it clear to the public they are being informed about a proposed development and not being consulted on the proposed use of the project.
- Provide information on land development applications on the District website including status and decisions.
- Explore options with Kitimap such as adding a layer showing active and past land development applications.
- Explore options with Kitimap such as adding a layer showing where District-owned properties are available for development consideration.

2.5 Application Forms and Information Guides

The District currently uses eight different application forms for development approvals and many staff members noted that there are opportunities to consolidate some of these forms where information requested is similar. For example, applications for rezoning are often accompanied by a DP or DVP application. In that instance, it may make sense to consolidate these forms. It was also noted that there are inconsistencies in the appearance and content of the forms, with many of the forms looking slightly different and conveying different information. It was suggested that when updating forms, consistency should be a priority.

There was also a general consensus that it would be helpful for applicants if the District created information guides by application type. These guides could provide such information as: application requirements, considerations that should be addressed such as where to put snow storage areas, what types of landscaping are appropriate in Kitimat, and Crime Prevention Through Environmental Design (commonly know as CPTED) considerations. The guides could also include diagrams and flow charts to outline the development approvals process. These guides could be made available at the front counter of the municipal office and on the District website.

There was a desire to modernize the District's application intake and information system by creating an application portal where developers could digitally upload their documents and submit their applications, pay fees, and review the status of their proposal as it moves through the development review process. The District currently uses a software known as MAIS which potentially could be upgraded to facilitate this goal. Also, the District's Building Department is introducing new online permitting software called Cloudpermit, and there may be potential to upgrade the software to include the planning module in the future. Alternatively, a study to evaluate other municipal enterprise software (eg: Posse, Amanda, Cityview, etc.) for the purpose of setting up an application portal could be conducted. An upgraded or new municipal enterprise software could also be used to streamline the referral process and the tracking of applications.

It was also noted that there are a number of historical blanket easements that apply to many properties in the District and it is time-consuming and costly for applicants to get relevant information from the Land Title Office. It was suggested that the District keep digitized copies of these easements on file to make them available to development applicants.

<u>Potential Actions:</u>

- Consolidate application forms where appropriate and ensure consistency between each individual application form.
- Create applicant guides by application type.
- Upgrade the existing MAIS or Cloudpermit software, or evaluate other enterprise software to create an application submission and development information portal.
- Make digitized copies of historical blanket easements available when intaking and reviewing applications.

2.6 Fees and Charges

The District charges application fees for different development approval application types. The fees are set by bylaw and found in a fee schedule in Section 9.2.2.11 of the KMC. The current application fees have been in effect since 2013.

Section 462 of the *Local Government Act* allows municipalities to charge application fees on the condition that the fees do not exceed the estimated average costs of processing the application. In this context, the District's current fees were prepared by a consultant in 2013 through an analysis of the average hard and soft costs required to process each application type. Hard costs included direct expenses for the District such as advertising fees, postage, and fees to register permits with the Land Title Office. Soft costs included internal expenses, notably the staff time necessary to process an average application.

As it has been 12 years since the District's current fee structure was implemented, there may be an opportunity to review and update the development approval application fees. Fees should reflect a balance between a full cost recovery approach (having fees cover 100% of staff time expenditures) and keeping application fees low to remain competitive with other jurisdictions. With a full cost recovery model, there can be a pressure to keep staffing levels low in an effort to keep application fees down. However, low staff levels can result in longer application processing timelines due to capacity constraints. This balance is different for every local government.

In reality, application fees represent a small portion of the overall cost of a land development project. Section 3.2 of this memo provides a table that highlights how the District's application fees compare to other relevant jurisdictions. Council direction should be sought to understand costing priorities when considering updates to application fees. It is noted that the District does not charge Development Cost Charges or Amenity Cost Charges which is important to keep in mind as the lack of these charges can be significant in the overall costs of a land development project.

Potential Actions:

- Review and update the development applications fees to reflect District costs while considering comparable municipal benchmarks.

2.7 Staff Positions and Roles

The District's internal process for moving development applications forward generally follows similar processes in other municipalities. In discussions with staff, several recent changes to the internal process were seen as positive. For example, the PET meetings where staff from multiple departments work together to evaluate and review applications, is an innovation that staff support. Staff did bring forward ideas on further improvements.

One point of concern is that landscaping reviews are occurring late in the process. A more timely review could result in the ability to address issues (ie: landscaping that is not suitable for Kitimat's climate) earlier in the process, resulting in better development outcomes. Further, an earlier review of landscaping supports a more consistent and unifying landscaping standard throughout the District.

There was a suggestion that the Administration Department be notified of formal pre-application meetings should they be instituted, and that they also continue to receive the PET meeting agendas by email. These meeting notifications would give Administration Department staff a better understanding of the projects moving through the development process.

The Administration Department also suggested that there be guidelines created as to when a Council Report detailing a development proposal be submitted to that department. It was suggested that these timelines be determined by application type, with OCP and rezoning reports requiring more time than DP or DVP reports. Finally, it was suggested that the Planning Department's internal timelines be made available to the public as target timelines, which will help applicants with project planning.

Potential Actions:

- Explore options to undertake an earlier review of landscaping considerations, such as through the PET meeting.
- Inform the Administration Department of formal pre-application meetings (if instituted) and continue copying the Administration Department on PET meeting agendas.
- Make internal timelines public as target timelines for each application type.

3 Comparing Comparable Communities

This section outlines how the District of Kitimat's development approvals review process compares to other jurisdictions that were interviewed. The comparable communities were selected based on their geographic location and/or their population size relative to Kitimat. A comparison of development application fees is also included in this section.

3.1 Development Process Comparison

The following chart provides a comparison of how the interviewed local governments address different aspects of the development approvals process. The comparison highlights a wide range of ways that local governments are currently processing development applications. While larger jurisdictions have a more formalized development review process, all jurisdictions agree that further process improvement can be made. A number of the interviewed jurisdictions have already undertaken a DAPR process or are in the process of doing so. Therefore, the information showcased below represents a snapshot and is subject to change.

Local Government	Formalized Internal Process	Delegated Authority	Pre-Application Process	Web-based Application and Tracking Portal	Development Proposal Sign On-site
District of Kitimat	• Internal Checklists	• DPs in DRA for projects less than $50,000 • Temporary Use Permits	• Yes, informal	• None	• No
City of Castlegar	• Internal Checklists • 2-week internal referral period	• All DPs • DVP (>25% variance) • TUPs (in alignment with the OCP)	• Yes, informal	• None	• No
City of Fort St. John	• Standard Development Procedure • Internal Checklists • Spreadsheet to track referral groups	• All DPs	• Yes, formal and mandatory	• No	• Yes
City of Prince George	• Yes, all managed through software	• All DPs • DVPs (with thresholds that very by application type) • TUPs if less than 14 days	• Yes, formalized	• Yes	• Yes, but depends on application type
City of Prince Rupert	• None	• All DPs • Minor DVP (with thresholds that vary by application type)	• Yes, informal	• No	• No

Local Government	Formalized Internal Process	Delegated Authority	Pre-Application Process	Web-based Application and Tracking Portal	Development Proposal Sign On-site
City of Terrace	• Internal Manual	• Minor DPs (threshold based on project value) • Seeking ability to process minor DVPs at staff level	• Yes, informal but considering formalizing	• Currently transitioning to web-based system	• No
City of Williams Lake	• Internal tracking sheet for referrals	• DPs for façade improvement under $500,000 • S219 Covenants & SROWs	• Yes, informal	• No	• Yes, it is provided by the City.
District of Houston	• None	• All DPs are delegated to a Planning Committee • TUPs are delegated to staff • Looking at further delegation	• Yes, informal	• No – looking into it	• Yes
District of Vanderhoof	• Guidelines for DPs and Subdivisions • No referral tracking process	• None	• Yes, informal	• No	• No

The comparison above illustrates how similar local governments use guideline documents, approach delegation, and consider on-site public notifications. This research provides valuable context and highlights a number of potential actions for the District's consideration, reinforcing some of the observations noted by District staff.

Potential Actions:

- Further formalize the internal development application review process to ensure a consistent approach between staff members and provide a framework for training new staff. This can be done by creating process flow diagrams and using checklists.
- Increase the $50,000 project value threshold for delegated DPs in the DRA. The increased value, if supported, would be defined by Council.
- Allow for the delegation of DPs in areas outside of the DRA.
- Delegate minor amendments to DPs.
- Delegate the approval of DVPs below a certain threshold of variance from the zoning regulations in the KMC.
- Allow for the delegation of TUP approvals if the TUP is for certain low impact land uses as defined by Council, or the duration of the proposed use is under a specified period of time as defined by Council.
- Create a formal pre-application process for larger projects. This could continue to be a free service as is currently the case, or the District could explore requiring applicants to pay a modest fee for a meeting with an appropriate group of District staff and summary notes documenting key considerations for the applicant. This enables issues to be comprehensively identified and discussed with applicants early in the process.
- Upgrade the existing MAIS or Cloudpermit software or evaluate other enterprise software to create an application submission and development information portal.

3.2 Development Application Fee Comparison

The following chart shows a comparison of the fees that the interviewed jurisdictions are currently charging for different types of land development applications:

Jurisdiction	OCP	Rezoning	DPs	DVPs	TUPs	Signs	Other
District of Kitimat	• $700 +$1,000 advertising fee • Can be combined with rezoning	• $700 + $800 advertising fee • Can be combined with OCP	• $700 • +$50 in DRA • $250 DP Amendment (outside DRA)	• $350	• $250 • $100 for renewal • +$250 for advertising	• $5.25 for Home Occupation • $7.90 for all other signs	• $10 Fence Permit
City of Castlegar	• $1,000 • $1,500 when combined with rezoning	• $1,000 • $1,500 when combined with OCP	• $1,000 • $1,500 when includes a variance	• $500	• $500	• $100	• Unavailable
City of Fort St. John	• $1,000 • $1,500 when combined with rezoning	• $1,000 • $1,500 when combined with rezoning	• $1,500 new construction • $750 Renovations/Amendments • $250 Façade Only	• $1,500	• $1,500	• $50	• Unavailable
City of Prince George	• $1,400 + $4 per 100 m2 of site area (maximum $800) + notification costs • $2,000 + $5 per 100 m2 of site area (maximum $2,000) + notification costs when combined with rezoning	• $800 + notification costs when creating 3 or fewer residential lots. • $1,400 + $4 per 100 m2 of site area (maximum $2,000) + notification costs when creating 4 or more residential lots or commercial industrial lots • Text amendment $1,400 + notification costs	• $800 + $20 per 100 m2 of additional or altered gross floor area (maximum of $2,000) + notification for Downtown, Commercial, industrial or multiple-residential development permit area: subdivision, construction or addition to or alteration of a building or structure • $150 + notification for Intensive residential development permit area: new construction of a residential dwelling	• $500 - $ 900 + notification for Zoning bylaw variances • $1000 + notification for Subdivision and Development Servicing Bylaw Variances • $800 + notification costs for Sign Bylaw Regulation Variance	• $800 + notification • $600 for extension	• $100 processing + $100 for a freestanding sign	• Unavailable

Reference: Development Approvals Process Review – Gap Analysis Report

Jurisdiction	OCP	Rezoning	DPs	DVPs	TUPs	Signs	Other
City of Prince Rupert	• $1,100 • $1,400 when combined with rezoning	• $1,100 • $1,400 when combined with OCP	• Work over $10,000 = $225 • Work under $10,000 = $60	•$330	•$630	• $40 for non-pole signs • $60 for each pole sign	• Many fees have been waived in the City Core Area • $50 Fence Permit
City of Terrace	• $1,200 • $2,000 when combined with rezoning	• $1,200 • $2,000 when combined with OCP	• $250 for project less than $10,000 and goes up based on project value	•$250	•$1,000	• $50 - 150	• Unavailable
City of Williams Lake	• $850 + sign deposit fee of $400 + notification costs	• $850 + sign deposit fee of $400 + notification costs	• $500	• $500	• $550	• $100 for a sign less than $1,000 and an additional $10 per $1,000 value	• Unavailable
District of Houston	•$1,500 •$2,000 when combined with rezoning	•$1,500 •$2,000 when combined with OCP	• $1,000 for the first $50,000 value and goes up based on project value thereafter	•$750	•$750	• $50 - 125	• Unavailable
District of Vanderhoof	• $600 • $750 when combined with rezoning	• $600 • $750 when combined with OCP	• N/A	•$250	•Unavailable	• $100 for the first $1000 value and 0.6% per $1000 value thereafter.	• Unavailable

Based on the comparison above, the range of fees varies greatly and is dependent on the size of the jurisdiction and the nature of the local land use regulations. A jurisdiction with a more complicated regulatory regime requires more time to process development reviews as there are more regulations that need to be checked for compliance. It is also worth noting that the fees presented in the comparison reflect current fees. Several of the interviewed jurisdictions are currently undertaking DAPR reviews which include a review of development application fees and therefore the fees shown are subject to change.

Periodic fee review exercises are valuable to ensure that a local government's development application fees are neither too low or too high, and that the staff time involved in processing these applications is accurately assessed and covered by those fees. As previously noted, this should be balanced with other strategic priorities, including remaining competitive compared to other jurisdictions and attractiveness for the development community.

Potential Actions:

- Review and update the development applications fees to reflect District costs while considering comparable local government benchmarks.

4 Developer Perspectives

Generally, the developers that were interviewed for this project provided positive comments and feedback about the District's development approvals review process. The development community appreciates that they can pick up the phone and talk to their application file manager or others in the Planning Department. This builds greater trust, understanding and collaboration between the District and the development community. Similarly, the informal pre-application processes were found to be beneficial as they give potential applicants confidence to move forward with their planning.

There was consensus that process guides by application types would be helpful and that the delegation of certain application types would speed up the process for applicants. Developers did suggest that the number of application forms be reduced and that an application portal and tracking system would make the application process simpler.

In general, the development community appreciates as much certainty as possible when it comes to business and project planning. It was noted that sometimes, primarily due to staff turnover, the goalposts for application milestones have been moved in the middle of the application review process. It was suggested that when direction is given to an applicant, it should be well-documented and remain the same, even if a new staff member takes over the file. A lot of the financing milestones are tied to a developer achieving development approvals, so moving goalposts can cause issues for a developer with their financial backers.

Potential Actions:

- Consolidate application forms where appropriate.
- Create applicant guides by application type.
- Increase the $50,000 project value threshold for delegated DPs in the DRA. The increased value, if supported, would be defined by Council. Allow for the delegation of DPs in some areas outside of the DRA.
- Delegate minor amendments to DPs.
- Delegate the approval of DVPs below a certain threshold of variance from the zoning regulations in the KMC.
- Allow for the delegation of TUP approvals if the TUP is for certain low impact land uses as defined by Council, or the duration of the proposed use is under a specified period of time as defined by Council.
- Create communication file logs for each project to document when a commitment about process is made by a staff member to an applicant, to ensure process consistency between different staff members.

5 Conclusions

The potential actions contained in this memo are informed by interviews held with District staff, comparable local governments, and developers who invest in Kitimat. Recommended actions also reflect known best practices identified by Stantec. There are pros and cons of adopting these actions and each one will need to be carefully considered. The next phase of the DAPR project is to present the potential actions to Kitimat Council for consideration to get direction on how to proceed.

Regards,

Stantec Consulting Ltd.

Chris Wilcott MPlan, RPP, MCIP
Urban Planner
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stantec.com

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Development Approvals Process Review

February 24, 2025

Agenda

1. Introductions
2. Project overview
3. Interviews
4. Findings
5. Potential actions
6. Next steps

Team introductions

Chris Wilcott
Project Planner

Zoë Morrison
Planning + Review

Andrew Norton
Project Manager

Kitimat development process review

Overview

- Funded by the Province of BC through Union of BC Municipalities
- Project completion May 2025

Key Areas for Review

- Development approvals process (Planning applications)
- Public notification methods
- Delegation of authority
- Subdivision and building permits not included

Project workplan

Phase 1 Start-up

- Kick-off meeting
- Information collection
- Interview guides

Phase 2 Research

- Research
- Interviews
- Gap analysis
- Staff review
- Council workshop

Phase 3 Report

- Draft report
- Staff review
- Final report with recommendations

District staff interviews

Interview questions:

- Questions tailored for each interview
- What works and what needs improvement

Interviews were held with:

- Director of Planning – Ryan Beaudry
- Manager of Planning – Krysten Hogan
- Planner 1 – Sarah Mclaughlin
- Director of Eng. Services/Approving Officer – Alex Ramos-Espinoza
- Deputy Director of Operations – Noel Simpkins
- Director of Finance – Sue-Lin Tarnowski
- Director of Economic Development – Walsham Tenshak
- Deputy Chief Administrative Officer – Kiona Enders
- Fire Chief – Trent Bossence
- Deputy Chief of Operations – Derek Collier
- Deputy Chief of Prevention & Training – Scott Pritchard
- Horticulturalist – Todd Gesshe

Comparable local government interviews

Interviewees selected based on:

- Geographic location
- Population

Local governments interviewed:

- City of Castlegar (pop: 9,000)
- City of Fort St. John (pop: 24,000)
- City of Prince George (pop: 85,000)
- City of Prince Rupert (pop: 13,000)
- City of Terrace (pop: 13,000)
- City of Williams Lake (pop: 11,000)
- District of Houston (pop: 3,000)
- District of Vanderhoof (pop: 4,500)

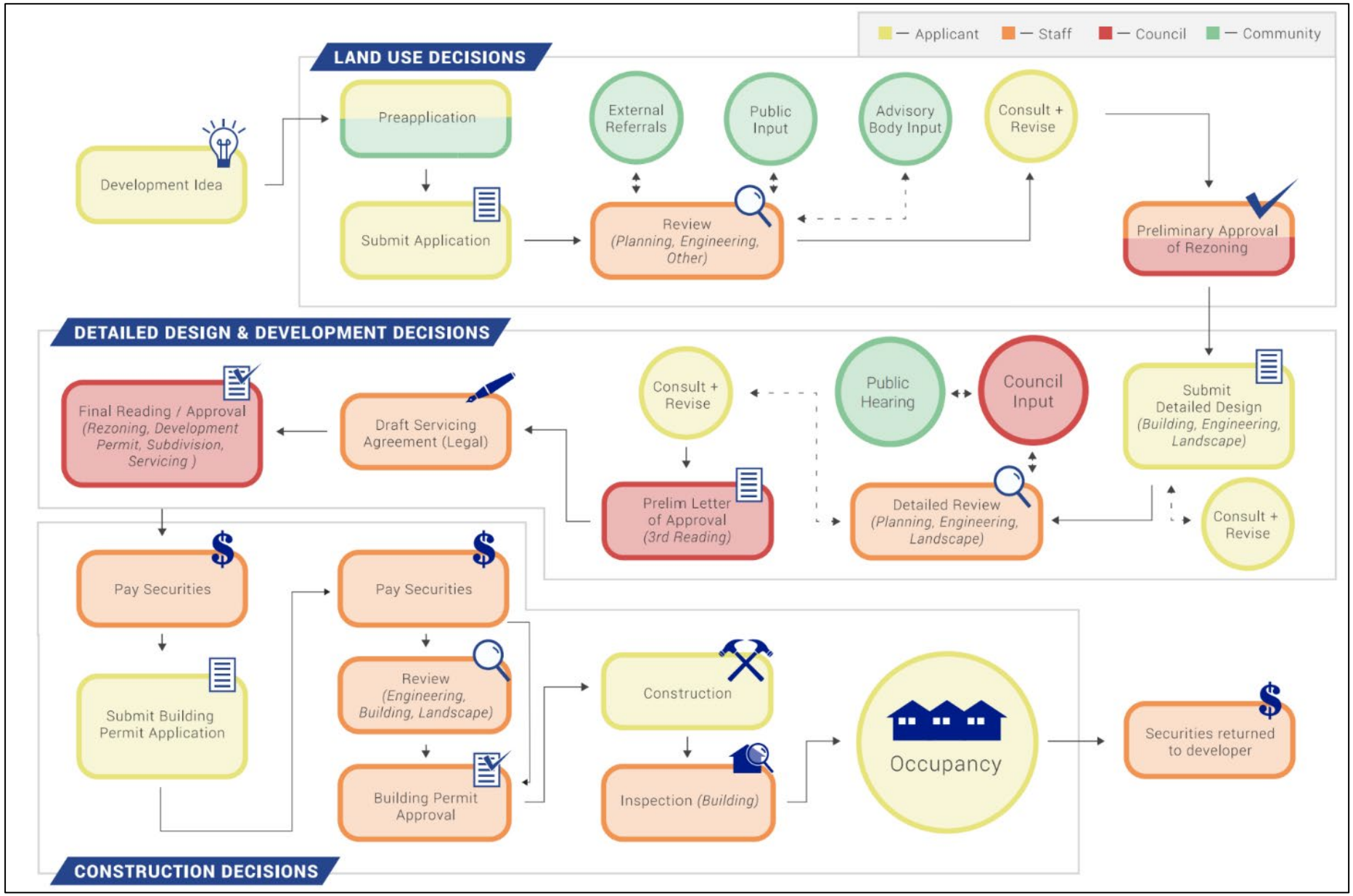
Developer interviews

Interviews held with:

- Four developers who have completed projects in Kitimat, including one locally based developer

- All four developers have experience with development approvals in other municipalities

Generalized Development Review Process



Development process overview

Key findings

- Process is similar to many communities in BC with two exceptions:
  - ‘For Consideration’ and ‘For Information Only’ reports to Council
  - Advisory Planning Commission
- In-person Project Evaluation Team meetings are valuable
- Internal development review process can be further formalized
- Advisory Planning Committee adds value, but need to consider items referred

Development process overview

Potential actions

- Formalize internal development review process for consistency
- Create formal pre-application process for larger projects
- Evaluate what is brought to Council through ‘For Consideration’ or ‘For Information Only’ report
- Revisit the role and scope of the Downtown Design Panel
- Revisit the role and scope of the Advisory Planning Commission

Delegated authority

Key findings

- Few tasks are delegated to staff
- Processes can be streamlined through more delegation
- Projects under $50,000 are currently delegated but in today’s market this limit is low

Delegated authority

Potential actions

- Increase the $50k project value for delegated DPs
- Allow for the delegation of DPs outside the DRA
- Delegate minor DP amendments
- Delegate the approval of DVPs below a certain threshold
- Delegate TUP approvals for low impact and short duration uses
- Update the delegated application reporting requirements to Council to quarterly

Development Process Comparison

	Formalized Internal Process	Delegated Authority	Pre-Application Process	Web-based Application	Development Proposal Sign
Kitimat	• Internal Checklists	• DPs in DRA for projects less than $50,000 • Temporary Use Permits	• Yes, informal	• None	• No
Castlegar	• Internal Checklists • 2-week internal referral period	• All DPs • DVP (>25% variance) • TUPs (in alignment with OCP)	• Yes, informal	• None	• No
Fort St. John	• Standard Development Procedure • Internal Checklists • Spreadsheet to track referrals	• All DPs	• Yes, formal and mandatory	• No	• Yes
Prince George	• Yes, all managed through software	• All DPs • DVPs (thresholds by application type) • TUPs if less than 14 days	• Yes, formalized	• Yes	• Yes, but depends on application type
Prince Rupert	• None	• All DPs • Minor DVP (with thresholds that vary by application type)	• Yes, informal	• No	• No
Terrace	• Internal Manual	• Minor DPs (project value threshold) • Seeking to process minor DVPs at staff level	• Yes, informal but considering formalizing	• Transitioning to web system	• No
Williams Lake	• Internal tracking sheet for referrals	• DPs for façade improvement under $500,000 • S219 Covenants & SROWs	• Yes, informal	• No	• Yes, provided by the City
Houston	• None	• All DPs are delegated to a Committee • TUPs are delegated to staff • Looking at further delegation	• Yes, informal	• No – looking into it	• Yes
Vanderhoof	• Guidelines for DPs and Subdivisions • No referral tracking process	• None	• Yes, informal	• No	• No

Bylaws and policies

Key findings

- In general, bylaws and policies are working well
- *Kitimat Municipal Code* (Part 9, Division 2, Subdivision 2) is 25 years old and can be modernized
- KMC is not easy for the public to navigate

Bylaws and policies

Potential actions

- Update KMC to provide more clarity to applicants and staff about process
- Update KMC to create one division for all zones and land development regulations and one division for development procedures
- Create an interpretation guide for planning staff
- Identify most common approved variances and consider updating the KMC zoning accordingly

Public notification

Key findings

- Recent process updates are working well
- Notification requirements are sometimes inconsistently applied
- Notification distance should reflect project scale
- Can make better use of District website

Public notification

Potential actions

- Create a public notification policy
- Rewrite the DP notification text to clarify feedback being sought
- Update District website to include status and decisions for development applications
- Update Kitimap and website to show current and past development applications and where District-owned properties available for development consideration are located

Application forms and information guides

Key findings

- District uses many different forms
- No guides by application type
- Software used could be upgraded to further streamline development process
- Historical blanket easements

Application forms and information guides

Potential actions

- Consolidate and update application forms for efficiency and consistency
- Create applicant guides by application type
- Consider new / upgraded enterprise software to create an application portal
- Make digitized copies of historical blanket easements available

Fees and charges

Key findings

- Fees are relatively low when compared to similar jurisdictions
- Consider balance of cost recovery and low fees to attract development
- District does not charge Development Cost Charges or Amenity Cost Charges

Fees and charges

Potential actions

- Review and consider updating the development fees to reflect District costs and comparable municipal benchmarks

Development Application Fee Comparison

	OCP	Rezoning	DPs	DVPs	TUPs	Signs	Other
Kitimat	• $700 +$1,000 advertising • Can be combined with rezoning	• $700 + $800 advertising fee • Can be combined with OCP	• $700 • +$50 in DRA • $250 DP Amendment (outside DRA)	• $350	• $250	• $5.25 for Home Occupation • $7.90 for all others	• $10 Fence Permit
Castlegar	• $1,000 • $1,500 when with rezoning	• $1,000 • $1,500 with OCP	• $1,000 • $1,500 when includes a variance	• $500	• $500	• $100	• NA
Fort St. John	• $1,000 • $1,500 with rezoning	• $1,000 • $1,500 with rezoning	• $1,500 new construction • $750 Renovations/Amendments • $250 Façade only	• $1,500	• $1,500	• $50	• NA
Prince George	• $1,400 + $4 per 100 m2 of site area (maximum $800) + notification costs • $2,000 + notification costs with rezoning	• $800 + notification costs when creating 3 or fewer residential lots.	• $800 + $20 per 100 m2 of additional or altered gross floor area (maximum of $2,000) + notification for many uses	• $500 - $ 900 + notification for Zoning bylaw variances	• $800 + notification • $600 for extension	• $100 processing + $100 for a freestanding sign	• NA
Prince Rupert	• $1,100 • $1,400 with rezoning	• $1,100 • $1,400 when with OCP	• Work over $10,000 = $225 • Work under $10,000 = $60	• $330	• $630	• $40 for non-pole signs • $60 for each pole sign	• $50 Fence Permit
Terrace	• $1,200 • $2,000 with rezoning	• $1,200 • $2,000 with OCP	• $250 for project under $10,000 and more based on value	• $250	• $1,000	• $50 - 150	• NA
Williams Lake	• $850 + $400 deposit fee + notification costs	• $850 + $400 deposit + notification costs	• $500	• $500	• $550	• $100 for a sign less than $1,000	• NA
Houston	• $1,500 • $2,000 with rezoning	• $1,500 • $2,000 with OCP	• $1,000 for the first $50,000 value + more	• $750	• $750	• $50 - 125	• NA
Vanderhoof	• $600 • $750 when with rezoning	• $600 • $750 with OCP	• N/A	• $250	• NA	• $100 for the first $1000 value and 0.6% per $1000	• NA

Staff positions and roles

Key findings

- Internal process similar to other jurisdictions
- Recent changes are seen as positive
- Consider updates to how and when Administration Department is notified

Staff positions and roles

Potential actions

- Consider undertaking landscaping review earlier in the process
- Inform the Administration Department of formal pre-application meetings and continue sending PET agendas to Administration Department
- Make internal timelines public as target timelines for each application type

Next steps

Task	Date
Draft Report	Mid-March 2025
Review with staff	Late-March 2025
Final Report	April 2025
Council presentation	May 2025

Stantec

Thank you

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COUNCIL REPORT

Date: February 19, 2025

File: 1.5.2.4

To: Warren Waycheshen, CAO – for Mayor and Council

From: Lori Ferreira, Executive Assistant

Re: North Central Local Government Association – 2025 Annual General Meeting Resolutions Report 4

Applicant: N/A

Location: N/A

Recommendation:

Action: Council consider the request for resolutions to the North Central Local Government Association (NCLGA) for consideration during the NCLGA Annual General Meeting scheduled for May 12-15, 2025, in Prince Rupert, BC.

Recommended Motion:

THAT the following motion be forwarded for consideration at the 2025 North Central Local Government Association Annual General Meeting:

WHEREAS the Government of British Columbia introduced the Speculation and Vacancy Tax (SVT) to address housing availability by incentivizing the utilization of vacant properties for the benefit of BC residents;

AND WHEREAS the BC government continues to expand the Speculation and Vacancy Tax program to include additional communities, promoting increased affordable housing stock across the province;

THEREFORE BE IT RESOLVED that the North Central Local Government Association (NCLGA) submit a resolution to the Union of British Columbia Municipalities (UBCM) advocating for the provincial government to grant BC municipalities the option to opt into the Speculation and Vacancy Tax program, specifically targeting properties that have been vacant for two or more years.

Background:

The NCLGA has asked that resolutions for their Annual General Meeting be submitted by March 14, 2025. Resolutions passed at the NCLGA AGM in May 2025 are forwarded by NCLGA to the Union of BC Municipalities for consideration during their convention September 22-26, 2025.

At the February 18, 2025 meeting, Council made the following motion:

> *THAT the District submit a resolution for consideration by the North Central Local Government Association to implore the Provincial Government to allow municipalities to enforce a vacancy tax on residential properties vacant for two years or more.*

Tabling Motion

> *THAT consideration of submitting a resolution to the North Central Local Government Association to allow municipalities to enforce a vacancy tax on residential properties vacant for two years or more be tabled to bring forward the resolution for consideration by Council.* (R25-048)

Staff has presented for Council consideration a motion based on this direction. If Council wishes to make amendments to the draft resolution staff will make the changes as directed through discussion.

If Council wishes to propose additional topics for consideration of resolutions at the NCLGA conference, a motion is offered for Council's consideration under alternative options.

Alternative Options:

1. If Council wishes to propose further resolutions to the NCLGA, the following motion is put forward for consideration:

THAT the following motion be forwarded for consideration at the 2025 North Central Local Government Association Annual General Meeting: (to be determined through Council discussion).

2. Another option as developed through discussion of Council.

Budget Implications: Not applicable

"SLT"
Director of Finance Initials

Budgeted: **Unbudgeted:**

Council Initiative/Other Relevant Plans:

Strategic Plan (2023-2026)
Implement specific priorities in the Housing Action Plan and Needs Assessment. The includes initiatives related to setting policy, regulatory measures, financial measures and partnerships. Support the development and operations of additional seniors housing.
Joint Strategic Plan for Haisla Nation Council – District of Kitimat (2024-2029)
Not Considered
District of Kitimat and Haisla Council Friendship Agreement - gi guáƛaṕ nis
Not Considered
Community Energy and Emissions Plan
Not Considered
Housing Action Plan and Needs Assessment
Not Considered
Kitimat Age-Friendly Assessment Report and Action Plan
Not Considered
Kitimat Cycle Network Plan
Not Considered
Kitimat Poverty Reduction Strategy
Not Considered
Leisure Services Master Plan
Not Considered
Minette Bay West Concept Plan
Not Considered
Official Community Plan (and Downtown Design Guidelines)
Not Considered
Solid Waste Action Plan
Not Considered
Water Conservation Plan

Not Considered
BC Transit Future Services Plan
Not Considered
Economic Development Strategic Plan (2023-2029)
Not Considered

"Lori Ferreira"
_____
Submitted by
Lori Ferreira, Executive Assistant

"Warren Waycheshen"
_____
Approved for Submission
Warren Waycheshen, CAO

Attachment(s): A – UBCM Submission on the Taxation of Vacant Lands dated December 17, 2024

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Union of BC Municipalities

Submission on the Taxation of Vacant Lands

December 17, 2024

1. Introduction

The Union of BC Municipalities (UBCM) is a policy-based organization that has advocated for our local government members since 1905. UBCM membership consists of all 189 British Columbia municipalities and regional districts as well as 12 First Nations. Our work is guided by member positions established through resolutions at our annual convention. Our Executive and Committees actively monitor and respond to policy issues that are of direct interest to local governments or have potential to impact our membership. As the association representing the interests of all local governments in BC, UBCM welcomes the opportunity to provide comments on the Taxation of Vacant Lands.

2. UBCM Policy on Taxation of Vacant Lands

UBCM has advocated for wide ranging actions to tackle the housing crisis, recognizing the importance of housing availability and affordability for health, social and economic well-being of communities. This advocacy has been built on a significant body of policy including a 2018 Housing Strategy and resolutions that support:

- greater investment in the supply of rental and affordable housing,
- moderating speculative development to ensure that houses are used as housing,
- a proactive approach towards addressing homelessness, and
- collaboration with all orders of government.

Within this policy framework, vacancy taxation has been of interest amongst British Columbia local governments since 2007, with members endorsing resolutions requesting that the Province work with local governments to incentivize the redevelopment of vacant land and buildings and specifically that:

- local governments be granted authority to collect a levy on vacant residential properties, and
- a new assessment classification be created for undeveloped residential properties to allow local governments to establish a different tax rate for vacant residential land.

In requesting such authority, local governments have suggested that any revenues from vacant land taxation could be required to be used towards affordable or non-market housing projects. Local governments have also pointed towards the

Vancouver Charter[1] as an example of legislation enabling vacancy taxation and suggested that criteria and administrative requirements could be similar to those of the Charter.

In 2018, the Province passed the *Speculation and Vacancy Tax Act,* establishing a framework for vacancy taxation that has since been expanded to 59 communities (largely municipalities, but also including the University of British Columbia Lands and University Endowment Lands). While in part addressing local government interests in vacancy taxation, the legislation does not provide for a local role in the application of the tax.

Local governments have since continued to seek authority for vacant land taxation, noting that the City of Vancouver has used this authority to impose its own tax, and that such powers could further address affordability beyond the Provincial Speculation and Vacancy Tax (SVT). The City of Vancouver's Empty Homes Tax was adopted in 2017 to return empty or under-utilized properties to use as long-term rental homes, relieving pressure on the rental market. While acknowledging the challenges of isolating the impact of the tax, the City has noted that since its adoption, there has been a 58% reduction in vacant properties (2017 to 2023). In addition, between 2017 and 2023, the tax has raised $169.8 million in revenues allocated to support affordable housing initiatives[2].

B.C. local governments have also sought the following since the Province brought the SVT into effect:

- That the provincial government distribute directly back to each municipality a portion of the revenue collected, up to the amount collected from each local government, under the SVT to further affordable housing initiatives within those jurisdictions.
- That all British Columbia communities, including electoral areas[3], be given the option to opt-in to the SVT program.
- That the Province consult with local governments on an evaluation of the *Speculation and Vacancy Tax Act* including a review of the specified areas and the impact on areas adjacent to the designated taxable regions.

Finally, in 2022, UBCM members also requested that the Provincial Government work with local governments to fund an incentive for rapidly repurposing vacant land to support the creation of emergency or ad-hoc housing or shelters with on-site

[1] Legislation specific to Vancouver that establish the rules governing the City's operations https://www.bclaws.gov.bc.ca/civix/document/id/complete/statreg/vanch_00
[2] https://vancouver.ca/home-property-development/why-an-empty-homes-tax.aspx
[3] Communities outside of municipal boundaries, often referred to as rural or unincorporated.

supports. Such facilities might include tiny homes, navigation centres, portables and/or modular housing.

In conclusion, while varying approaches towards vacancy taxation have been requested, all point towards a greater role for local government engagement and choice.

Rationale for An Increased Local Role in Vacancy Taxation

Housing was historically the preserve of the Federal Government through to the 1990s at which time a progressive withdrawal of federal funding resulted in a downloading of responsibilities to the provinces. The primary role of local governments has been to undertake proactive community planning and regulation of land use to provide a policy framework for communities that are socially, economically and environmentally healthy and that make efficient use of public facilities and services, land and other resources. In this role they act within the constraints of a narrow tax base and defined legislative authority.

In recent years, however, there has been a growing expectation for local governments to financially support attainable and affordable housing. While local governments have done so through land contributions, property tax exemptions and development charge exemptions, waivers and reductions, such supports have implications for local government finance and infrastructure delivery.

In requesting authority for vacancy taxation, British Columbia local governments are therefore seeking to identify an appropriate revenue source to:

- Increase the supply of housing available as housing by discouraging the speculative holding of vacant residential properties.
- Generate funding to assist local governments directly, or through regional pooling to create and encourage development of non-market housing.

In addition, recognizing that in some communities, vacant and derelict buildings have remained so for years, posing potential risks for public safety as well as livability and desirability of nearby properties, vacancy taxation could promote the redevelopment of such properties and encourage their occupancy, maintenance, and improvement.

Finally, local governments in particular are best positioned to determine the nature and extent of adverse impacts of vacant residential properties, and also to administer exemptions based on local needs.

3. Concluding Remarks

Granting local governments an increased role in vacancy taxation could help to serve multiple important objectives including improved housing affordability and would address longstanding requests by B.C. local governments. UBCM would welcome the opportunity for further engagement on the taxation of vacant lands, should the opportunity arise.

Thank you for receiving the policy positions and perspectives of our collective membership. Inquiries regarding this submission may be directed to Josh van Loon, Senior Policy Analyst, at jvanloon@ubcm.ca or (604) 270-8226 Ext. 113.

Attachment #1: UBCM Resolutions

2024- EB27 Local Government Funding Through Speculation and Vacancy Tax
Whereas encouraging unoccupied residential properties to become available for long-term occupancy represents an opportunity to increase the availability of housing in our communities;

And whereas revenue collected from the Speculation and Vacancy Tax is directed into the Housing Priority Initiatives Special Account where BC Housing is the primary recipient of the funds rather than local governments:

Therefore be it resolved that UBCM call upon the Province of British Columbia to permit local governments to receive a portion of the funds collected through the Housing Priority Initiatives Special Account, with funds to be used by the local government towards affordable housing projects.

2024-EB28 BC Speculation and Vacancy Tax
Whereas the BC government implemented a BC Speculation and Vacancy Tax to turn vacant homes into housing for BC residents;

And whereas the BC government continues to expand the BC Speculation and Vacancy Tax program to include new communities:

Therefore be it resolved that the UBCM advocate to the provincial government that all BC communities, including electoral areas, be given the option to opt-in to the BC Speculation and Vacancy Tax program.

2024- EB90 New Assessment Classification for Vacant Residential Lands
Whereas there is a housing crisis in British Columbia that affects all local governments in varying degrees;

And whereas there are limited tools to discourage speculation and encourage development of undeveloped property:

Therefore be it resolved that UBCM request the Province of British Columbia to create a new assessment classification for undeveloped residential properties to allow local governments to establish a different tax rate for vacant residential land.

2023 EB14 Municipal Authority for Empty Homes Tax
Whereas encouraging unoccupied residential properties to become available for long-term occupancy represents an opportunity to increase the availability of housing in our communities;

And whereas the authority to adopt an Empty Homes Tax is not currently available to municipalities operating outside of the Vancouver Charter:

Therefore be it resolved that UBCM call upon the Province of British Columbia to amend the Community Charter to enable municipalities to administer a specific property tax on unoccupied Class 1 Residential properties, with net revenues to be used by the municipality towards affordable housing projects.

2022 NR64 Assessing Vacant Lands to Support Housing for BC's Most Vulnerable

Whereas sadly thousands of British Columbians are homeless, sleeping in shelters, tents, and encampments, while many jurisdictions in Canada and down the West Coast have successfully triaged their homelessness crises with temporary, tiny shelter-type villages, as a transition to more permanent housing;

And whereas BC Assessment classifies property according to its use, and local governments apply a mill rate to the respective classification to determine taxes, while owners of vacant land are incentivized to reduce their property taxes by changing temporary use and assessment, for example by adding a community garden to be re-classified as a Class 8 Recreational;

And whereas properties assessed as Class 3 Supportive Housing integrate long-term housing units with on-site supports for persons who were previously homeless or persons who are at risk of homelessness are subject to special valuation rules by the provincial government that reduce the assessed value of the property to a nominal amount, and have received funding from the government or a regional health board:

Therefore be it resolved that UBCM request the BC government to work with local governments to develop and fund an incentive for more readily and rapidly repurposing vacant land as temporary Class 3 Supportive Housing, to support the creation of emergency or ad-hoc housing or shelter with on site supports as a short-term use, and including tiny homes, navigation centres, portables, and/or modular housing.

2022 NR9 Speculation and Vacancy Tax Review

Whereas housing availability and affordability impacts the health, social and economic well-being of communities;

And whereas the provincial speculation and vacancy tax generates revenues to support affordable housing initiatives in the areas where the tax is collected, but is currently only applicable in large urban centres:

Therefore be it resolved that UBCM ask the Province to consult with local governments on an evaluation of the Speculation and Vacancy Tax Act including a review of the specified areas and the impact on areas adjacent to the designated taxable regions.

2021 NR53 Transfer of a Portion of Speculation and Vacancy Tax Revenue to Local Governments

Whereas the Speculation and Vacancy Tax generated an estimated $81 million in revenue for the Province during the 2019/2020 fiscal year to be directed towards affordable housing initiatives;

And whereas local governments are taking on a greater role in addressing affordable housing needs in their communities:

Therefore be it resolved that UBCM request the provincial government to distribute directly back to each municipality a portion of the revenue collected, up to the amount collected from each local government, under the Speculation and Vacancy Tax to further affordable housing initiatives within those jurisdictions.

2021 EB19 Vacant Land Property Tax

Whereas some municipal councils in jurisdictions have the authority to set tax rates on vacant land at a higher rate than non-vacant land (such as the authority provided for in the s. 616 vacancy tax provision of the Vancouver Charter);

And whereas some municipal councils with the requisite authority choose to set tax rates on vacant land at a higher rate to encourage owners of vacant property to either develop the property or sell the land which may result in the development of the property under new ownership:

Therefore be it resolved that UBCM request the Province of British Columbia conduct a review of the Community Charter to amend the legislation to grant municipal councils' authority to add a 'vacant land' property tax.

2020 NR69 Vacancy Tax

Whereas the City of Vancouver has authority through the Vancouver Charter to implement an Annual Vacancy Tax;

And whereas other municipalities are governed through the Community Charter where there is no current authority to implement a Vacancy Tax:

Therefore be it resolved that UBCM work with the Province of British Columbia to amend the authority given to municipalities through the Community Charter permitting

municipalities the authority to impose, by bylaw, an annual vacancy tax on taxable residential properties.

2020 EB33 Speculation and Vacancy Tax
Whereas housing affordability is a key challenge in many communities facing high median home prices, including a number of homes that are vacant;

And whereas the Province reported that in 2018, $58 million was collected under the Speculation and Vacancy Tax program;

And whereas the Province gave the City of Vancouver the power to impose its own vacancy tax, which has provided Vancouver with approximately $40 million in additional revenue:

Therefore be it resolved that UBCM request that the provincial government provide local governments with the power to levy their own Speculation and Vacancy Tax, so that they too can address housing affordability and other community effects of vacant homes.

2019 B181 Proposed Vacancy Tax
Whereas the City of Vancouver has authority through the Vancouver Charter to implement an Annual Vacancy Tax;

And whereas the City of White Rock is governed through the Community Charter where there is no current authority to implement a Vacancy Tax and it is believed that there are a number of vacant residential and commercial properties in the City of White Rock:

Therefore be it resolved that UBCM work with the Province of British Columbia to amend the authority given to Local Governments through the Community Charter permitting municipalities the authority to impose, by bylaw, an annual vacancy tax on taxable residential properties, and that the criteria and administrative requirements be similar to those of the Vancouver Charter.

2019 B19 Extension of Vacancy Taxation Authority to Local Governments
Whereas the Province of British Columbia responded to a housing affordability crisis in 2016 with legislation empowering the City of Vancouver to introduce a surtax on vacant residential properties, resulting in $38-million in revenues for that community in 2018 and creating a strong disincentive to leaving properties vacant;

And whereas communities across British Columbia face housing affordability pressures, while a portion of the housing supply in all communities remains vacant, including properties that have remained derelict for years or decades, and vacant and derelict

buildings pose substantial risks in terms of public safety in communities, as well as liveability and desirability for nearby and adjoining neighbourhoods and properties:

Therefore be it resolved that the Province of British Columbia extend the authority to introduce a surtax on vacant residential properties to local governments across British Columbia, providing communities with the discretion to decide whether to introduce an additional tax to discourage vacant and derelict buildings, and encourage the occupancy, maintenance, and improvement of buildings to address housing affordability and public safety.

2018 A3 Modify Speculation Tax: Local Government Vacancy Levy
Whereas vacant residential properties are not in the best interests of BC communities;
And whereas local governments are best placed to determine the nature and extent of the adverse impacts of vacant residential properties and to administer exemptions based on local needs;

And whereas a levy administered and retained by local government on vacant residential properties can be a way to encourage the availability of more rental accommodations;

And whereas revenues from such a levy on vacant residential properties would assist a local government directly or through regional pooling to create and encourage non-market housing:

Therefore be it resolved that UBCM urge the Province to replace the approach in the current proposed Speculation Tax with a provision to empower local governments to collect a levy on vacant residential properties and to require local governments that choose to impose such a levy to invest the revenues in non-market housing.

2017 B91 Tax on Vacant & Derelict Residential Properties
Whereas the Government of British Columbia and Legislative Assembly responded to a housing affordability crisis by proceeding with legislation that empowered the City of Vancouver to introduce a surtax on vacant residential properties;

And whereas communities across British Columbia face housing affordability pressures while a portion of the housing supply in all communities remains vacant, including properties that have remained derelict for years and, these derelict vacant buildings pose substantial risks in terms of public safety as well as liveability and desirability for adjoining/nearby neighbourhoods and properties:

Therefore be it resolved that UBCM request the Province of British Columbia to extend the authority to introduce a surtax on vacant and derelict residential properties to local

governments across British Columbia and encourage the occupancy, maintenance and improvement of buildings to address housing affordability and public safety.

2016 B13 Vacant Land Taxation
Whereas vacant lands detract from the vibrancy of communities;

And whereas vacant lands contribute less property tax and utility billing revenues, no employment or other value to their community:

Therefore be it resolved that UBCM advocate on behalf of all local governments for an amendment to the Prescribed Classes of Property Regulation 438/81 to include prescribed classes for vacant land and vacant contaminated land that allows for a higher tax rate and/or flat taxes.

2012 B130 Vacant & Derelict Building Tax Rate
WHEREAS run-down and poorly maintained buildings, vacant or occupied, have a negative impact on area residents and businesses, which results in decreased property values and discourages investment in the municipality, and affects local government property tax revenues;

AND WHEREAS the municipal authority under the Community Charter is limited as follows:
• section 8(3)(1) applies to building only for the purposes of health, safety and protection of persons and property; and
• section 64(k) is limited to graffiti and unsightly conditions:

THEREFORE BE IT RESOLVED that UBCM lobby the provincial government to amend the Community Charter to grant local government authority to set higher property tax rates for derelict and vacant buildings as a deterrent for property owners to allow their premises to become unsightly.

2007 B72 Vacant & Derelict Buildings - Differing Property Tax Rates
WHEREAS the appearance of run-down and poorly maintained vacant buildings can have negative impacts on adjacent residents and businesses, can result in decreased neighbourhood property values that affect local government property tax revenues and can deter investment in the redevelopment of adjacent lands:

THEREFORE BE IT RESOLVED that the Union of British Columbia Municipalities support an amendment to the Community Charter to grant municipalities the option of setting differing property tax rates for Land and Improvements, thus encouraging development and improved maintenance of derelict buildings and vacant land.

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