

BC Development Legislative Changes

KAIVALYA RESEARCH

May 2025



This brief will provide an overview of key changes made to the municipal development process by the BC Provincial government

The BC Provincial government has brought in new legislation to help streamline municipal development in the province.

This has been driven by increasing housing costs, accelerated by lengthy and uncertain development processes that add to housing shortages.

There are some specific guidelines under Bill 44, 46, and 47 but it also is helping clarify principles for municipalities to follow to ensure consistency and foreseeable timelines and expenses.

Generally it is moving public consultation to the OCP phase and standardizing how municipalities finance infrastructure and community amenities.

This legislation is intended to shift B.C. to a more proactive, long-term approach to planning.

One major change to support this approach is the requirement for housing needs to be regularly assessed at the municipal level. OCPs and zoning bylaws then must be updated to align with this projected need.

A key question that hasn't been decided is whether Community Amenity Cost Charges (CACs) will eventually be eliminated with the proposed formulaic Amenity Cost Charges (ACCs) being implemented.

This newsletter will provide more detail on these changes, unanswered questions, and how implementation could impact the effectiveness of these initiatives.

Major Changes

OCPs, Zoning
Bylaws & Public
Hearing Process

Amenity &
Development
Cost Charges -
ACCs & DCCs

Small Scale
Multi-Unit
Housing
(SSMUH)

Transit Oriented
Areas (TOAs)

Housing Needs
Reports (HNRs)



Bill 44: Small-Scale Multi-Unit Housing (SSMUH)

This legislation effectively eliminates single-family and duplex zoning in all communities larger than 5,000 population. 3-4 units allowed on these lots. Up to 6 units near frequent transit services.

Majority of municipalities are no longer allowed to zone large areas exclusively for single-detached housing

Moves planning and zoning processes to OCP stage to reduce public hearings for projects aligned with OCP

Public hearings are prohibited for residential developments that are aligned with OCP. This is true even in mixed use cases as long as the residential component accounts for at least half of gross floor area of all buildings proposed for the development.

Development's that don't conform with the OCP and require material zoning variances will still require public hearings for approvals.



Bill 46: Development Financing

Introduces Amenity Cost Charges (ACCs).

Instead of case-by-case, Developer contributions done by prospective bylaws imposing ACCs based on location, land use, density or other objective qualities. Imposes reporting obligations on local governments.

Expands Development Cost Charges (DCCs) increasing scope to provide greater flexibility in funding infrastructure projects.



Bill 47: Transit Oriented Areas

Municipalities required to identify TOAs with specific proximities to transit hubs.

TOAs are defined as within 800m of rapid transit and 400m of major bus exchange.

Elimination of minimum parking requirements in TOAs

Mostly for larger municipalities but same principles for smaller towns are encouraged

Additional Key Changes



Housing Needs Reports (HNR)

Housing Needs Reports use both quantitative and qualitative data to understand current and future housing needs. The Province has mandated improvements including the utilizing a standard methodology “HNR Method” to identify 5-year and 20 year housing needs.

Municipalities and regional districts are now required to complete HNRs including this calculation. The first Interim HNR was required by January 1, 2025. The deadline for the first ‘regular’ HNR is December 31, 2028 with updates required every 5 years after.

OCPs and zoning bylaws must be updated to ensure alignment with the 20 year housing need as calculated using the HNR Method.

The HNR Method

The HNR Method consists of the following 6 components:

1. Supply of units to reduce extreme housing need (over 50% of income paid for housing)
2. Supply of units to reduce homelessness
3. Supply of units to address suppressed household formation
4. Supply of units needed to meet household growth over 5 and 20 years
5. Supply of units needed to meet a minimum 3% vacancy rate
6. Supply of units needed to meet local demand; only for municipalities

UBC’s Housing Assessment Resource Project (HART) provides a [free online tool](#) to complete this. The Province has published detailed [methodology documents](#) for municipalities that wish to undertake this independently.

Public Hearings

This legislation fundamentally shifts the perspective and scope of public hearings related to residential development.

Holding public hearings at the OCP stage will help mitigate the issue of narrow interest groups having an outsized voice on specific projects.

This public feedback approach will provide opportunities for residents to share their views on overall desires for the community proactively rather than reactively in response to a particular development.

OCPs & Zoning Bylaws

Municipalities are required to review and update OCPs and zoning bylaws by December 31, 2025 based on the first Interim HNR.

This will then be done every 5 years starting with the year following the first regular HNR due December 31, 2028.

OCPs and zoning bylaws have generally been static long-term determinations with changes in the years that follow being driven by specific applications. This legislation appears to be turning OCPs into living documents that should be more responsive to overall on-the-ground conditions.



What Do These Changes Mean for Development in BC?

Kaivalya Research's Thoughts

This predictable and standardized approach to development approvals appears well-positioned to address inconsistent requirements across municipalities and the frequent delays that drive up development costs. It is difficult to budget and plan over multi-year timeframes when a change in council or staff turnover can abruptly alter the approval process and financial assumptions.

While ACCs and expanded DCCs will increase explicit development costs, they are ultimately likely to reduce overall development costs if applied appropriately. Previous gaps in DCCs and the absence of standardized amenity contributions often led to extended approval timelines. Many municipalities have used rezonings as a way to secure infrastructure commitments and amenities, frequently complicating and prolonging the approval process.

If CACs are eliminated as a standard practice for most developments and replaced with formulaic ACCs, developers' carrying costs would decrease, and municipalities could realize property tax revenue sooner. This represents a clear win-win for the system.

The changes to the public hearing process for residential development could serve as a model for all development types going forward.

However, if commercial and industrial approval processes aren't modernized alongside residential, municipalities may increasingly rely on these applications to extract additional value or amenities. This could slow economic growth, reduce the attractiveness of communities, and delay tax revenue that helps offset residential tax burdens.

ACCs represent a significant shift, but their impact could be undermined if CACs remain in place—adding cost without improving clarity or predictability.

Historically, OCPs were large undertakings that often became outdated as communities evolved. The new legislation aims to transform OCPs into living documents, updated regularly to reflect changing needs.

The rethinking of public feedback is more transformational than it may seem. It broadens participation, giving a wider range of residents a voice. This marks a fundamental shift in municipal governance and a chance to strengthen democratic engagement.

Thank you for reading!

KAIVALYA RESEARCH LTD	INFO@KAIVALYARESEARCH.COM
www.kaivalyaresearch.com	Vancouver, BC