

Frequently Asked Questions

**Local Government (Green Communities)
Statutes Amendment Act, (Bill 27) 2008**

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Intergovernmental Relations and Planning Division



Ministry of Community Development

Greenhouse Gas (GHG) Emission Reduction Targets, Policies and Actions

Q. What is required of local governments regarding greenhouse gas emission reduction?

A: This amendment requires local governments to include greenhouse gas emission reduction targets, policies and actions in regional growth strategies and official community plans. These requirements were first announced in September, 2007 at the Union of BC Municipalities annual conference. Premier Campbell noted in his speech that targets and strategies would be required content for all official community plans and regional growth strategies.

Q. How is Greenhouse Gas defined?

A: The definition of “greenhouse gas” in the *Local Government Act* is the same as the definition of “greenhouse gas” included in the *Greenhouse Gas Reduction Targets Act*.

In the *Greenhouse Gas Reduction Targets Act* “**greenhouse gas**” means any or all of carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulphur hexafluoride and any other substance prescribed by regulation under the Act. Greenhouse gases absorb and re-emit infrared radiation, warming the earth's surface and contributing to climate change.

Q: What contributes to greenhouse gas emissions within our communities?

A: Within a community greenhouse gas emissions are generated by such things as:

- Electricity and fossil fuel energy use;
- Transportation (such as vehicle kilometres travelled, fleet composition and fuel(s) consumed); and
- The quantity and composition of waste and disposal methods.

Q: What does a GHG emission reduction target look like?

A: The legislation is not prescriptive so it does not, for example, specify what types of targets or what levels of targets should be adopted. However, Government is looking to local government to demonstrate bold leadership and to take aggressive action on tackling climate change. As context, local governments may choose to set GHG emission reduction targets that parallel the Provincial government targets of a 33% reduction of GHG gas emissions by 2020 and 80% by 2050. Local governments could then determine how these targets fit with local circumstances or how these targets could be adjusted. Local governments could also set targets in relation to secondary indicators that directly influence GHG emissions in order to track progress in key areas that

impact GHG emissions, for example, average residential unit size, average residential lot size, and average commuting distance.

Q. How are targets, policies and actions going to reduce greenhouse gases?

A: Real emission reductions will come about by having local governments set targets that are meaningful and achievable in their community. Each local government will determine the greenhouse gas emissions targets based on their community's unique characteristics. For example, one local government may set targets to increase the percentage of households recycling organic waste, while another may set a target to reduce total greenhouse gas emissions by 10% over a ten year period. By allowing local governments to set targets that are meaningful in their community, and most importantly challenging yet achievable, we will realize real emission reductions.

Q: How are local governments going to measure their greenhouse gas emission reductions to demonstrate they've reduced or met their targets?

A: Each local government will set greenhouse gas emission reduction targets that are appropriate for their community. It is important for local governments to have good information so they can make better decisions for their communities. Government is actively developing ways to provide information to communities regarding their energy use and GHG emissions, in order to better support local governments in setting targets, policies and objectives, and monitoring their progress. One example of this is the Community Energy Emissions Inventory (CEEI) which will provide all local governments in BC with baseline community-wide energy and emissions information by the end of 2008.

Q: How does this legislation change the way local governments approach Official Community Plans and Regional Growth Strategies?

A: An official community plan is a statement of objectives and policies which guide decisions on planning and land use management within the area. What is changing is the lens through which local governments will look when developing planning policy and managing land use. Local government will now be required to look at how their official community plans and supportive actions will contribute to a reduction in greenhouse gas emissions within their communities.

Q: The City of Vancouver uses official development plans. Are these required to have GHG emission reduction targets?

A: An official development plan is a plan for the future physical development of the City of Vancouver or a part of the city. The legislation requires the City of Vancouver to include greenhouse gas emission reduction targets, policies and actions in their official development plan or plans.

Q. When do these targets need to be included in official community plans or regional growth strategies?

A: May 31st, 2010 is the date by which greenhouse gas emission targets, policies and actions will be required content in official community plans and official development plans. May 31st, 2011 is the equivalent date for the inclusion of greenhouse gas emission reduction targets, policies and actions in regional growth strategies.

Development Cost Charges (DCCs)

Q: What changes to the development cost charge (DCC) authority does this legislation contain?

A: The purpose of this legislation is to create greater incentives to develop complete compact liveable communities, and there are many communities that are already actively encouraging green development. This legislation gives local governments another way to support such development.

Local governments now have the authority to waive or reduce development cost charges for a subdivision of small lots that is designed to result in low greenhouse gas emissions. Small lot development generally will reduce greenhouse gas emissions by concentrating development in a smaller area, by conserving energy and encouraging walking, use of public transit, bicycling and so on.

A further amendment has been made that exempts all small dwelling units of 29 square metres (312 square feet) or smaller from DCCs. This focuses on very small units, and would only apply where a local government recovers infrastructure costs through DCCs. This is intended as one way to provide an incentive for developers to build small, affordable housing units for those who may otherwise not be able to afford current rental or for-purchase housing stock.

To enhance transparency and accountability, local governments are now required to report to the public annually on DCC reserve funds.

Q: Why is the threshold for the DCC exemption set at 29 square metres (312 square feet)?

A: Through consultation with the Ministry of Housing and Social Development, it was determined that this size of dwelling unit is likely to be the optimum minimum size for a practical and affordable self-contained dwelling unit. There are many examples of this size of housing in Europe. Dense metropolitan areas in the United States and Toronto also have some units of this size. To-date there are few examples of such housing in BC.

Q: How can the design of a small-lot development reduce GHG emissions?

A: Small-lot development helps to shape more compact communities. Not all small-lot developments are the same. Small-lot developments are commonly in the range of 2,500 to 4,500 square feet. Other important elements need to be in place. For example, is the small-lot development designed to improve walkability? Is it located near an employment centre so that residents do not have to rely on personal vehicles to commute everyday? Are local amenities available nearby? Planning and design can have a significant impact on creating compact walkable communities – and these types of communities have lower greenhouse gas emissions.

Q. Who defines what are “eligible” developments for the purposes of waiving or reducing DCC’s?

A: To encourage compact, affordable, energy efficient and environmentally conscious developments, local governments are able to define what would be “eligible” development in the categories of not for profit rental housing, affordable for profit rental housing, small lots designed to reduce GHG emissions and development designed to have a low environmental impact. Given the diversity of communities, this provides flexibility to promote the type of affordable and green development which meets the unique needs of each area covered by the charges.

Q: How could a local government’s actions to reduce DCCs for “green” development link to GHG emission reduction targets, policies and actions in OCPs?

A: Decisions that a local government makes to encourage “green” development by reducing DCCs should tie into the GHG emission reduction targets, policies and actions as well as other sustainability related policies established in Official Community Plans. This will link land use strategies with energy reduction and affordable housing strategies.

The objective of offering DCC reductions should be to encourage highly efficient buildings, including affordable housing, ideally located in compact communities where the public costs of providing infrastructure are lower and where transportation options including public transit are feasible. In addition, tying a reduced DCC structure to the Government’s Brownfield Renewal Strategy would encourage development in key urban areas, which would also help meet other energy and affordable housing objectives.

Q: What does the amendment to school site acquisition charge do?

A: This amendment provides the same exemption from school site acquisition charges for small residential dwelling units, as well as any reductions or waivers for “green” development, as is provided by local government in relation to development cost charges. Reducing the costs to build such small residential units is one way that local governments can encourage developers to build more.

Q: Will Development Cost Charges collected by Greater Vancouver Sewage and Drainage District be subject to the same changes?

A: The legislation does apply to the Greater Vancouver Sewerage and Drainage District (GVSD). The changed amendment will allow the GVSD the same ability to waive or reduce development cost charges for eligible developments. In addition, this amendment requires the GVSD to exempt developers from paying development cost charges for self-contained units less than 29 square metres in size, the same as other local governments.

Development Permit Areas

Q: How does the legislation impact local government’s authority to issue development permits?

A: The legislation expands the authority of a local government to establish development permit areas. This amendment gives local government the ability to mitigate environmental impacts of new developments and rehabilitation projects by establishing development permit areas for the purposes of promoting energy and water conservation and reducing greenhouse gas emissions.

Q: How could a development permit area promote energy and water conservation and reduce greenhouse gas emissions?

A: Local governments can establish requirements for developments within designated areas to provide for energy and water conservation and reduction of greenhouse gas emissions with respect to:

- landscaping, (e.g. requiring drought tolerant plantings)
- siting of buildings (e.g. the building to be oriented to capture the sun)
- form and exterior design of buildings (e.g. provision of deep overhangs for sun shade)
- specific features in a development (e.g. permeable paving surfaces)
- machinery, equipment, and systems outside of buildings (e.g. rainwater collection systems, geothermal loop systems)

Within these designated development permit areas, local governments will also be able to establish restrictions regarding the type and placement of trees and other vegetation in proximity to buildings in order to provide for energy and water conservation and the reduction of greenhouse gas emissions.

Off-Street Parking

Q. What does the amendment to local governments' off-street parking authority do?

A: This amendment allows municipalities to put money into a reserve fund to pay for alternative transportation infrastructure. This money can be used to develop pedestrian or bicycle paths, or bus shelters, for example.

The cost of providing off-street parking can be expensive. A developer may approach a local government and ask to pay a cash equivalent instead of providing off-street parking for their development. The local government must put this money into a reserve fund. In the past the money could only be used to provide off-street parking.

The amendments:

- Provide added flexibility for local governments to reduce or waive off-street parking requirements for individual developments where transportation needs can be met in alternative ways.
 - For example, buildings situated close to public transit, co-operative car share arrangements, or the provision of additional bicycle parking are all alternative transportation features which could result in a reduced need for off-street parking.
- Create a new reserve fund category which enables local government to collect cash in lieu of off street parking for the development of alternative transportation infrastructure such as public transit, pedestrian or bicycle paths.
- Allows local governments to transfer existing off-street parking reserve funds to a new reserve fund for alternative transportation infrastructure.
- Removes a local government requirement to own and operate a parking facility within a distance specified by bylaw in order to accept cash in-lieu of off-street parking.
- Requires annual financial reporting and projected timelines for future projects to create accountability and transparency of the use of the reserve funds. The reporting requirement starts in 2009 for the 2008 year.

The amendments will assist local governments to move away from automobile-centred development and encourage healthy, liveable communities by supporting greater investment in alternative transportation infrastructure.

Q. Does the City of Vancouver have the same authority to reduce or waive off-street parking requirements?

A: The provisions in the *Vancouver Charter* were more restrictive than the *Local Government Act*. The new legislation gives the City the authority which other local governments already had and the additional powers that are now provided to other local governments.

Q: What can the money in an alternative transportation reserve fund be used for?

A: Money collected in-lieu of off-street parking and deposited to an alternative transportation reserve fund can be used, for example, to develop pedestrian or bicycle paths, or infrastructure to support public transportation, such as bus shelters or bus pull-outs. Off-street parking reserve funds can be used as a local government's portion of a cost-share agreement through programs such as LocalMotion.

Streamline Regional Growth Strategy (RGS) Process

Q. What does the change to the RGS consultation requirements do?

A: Regional growth strategies are multi-year processes with comprehensive consultation plans. By the time a growth strategy comes to the regional district board for approval there would have been many opportunities for the public and others to provide input. Requiring local governments to consider the need to include a public hearing as part of the comprehensive consultation plan, rather than imposing an additional public hearing on top of the other consultation requirements, streamlines this multi-year process. If a regional district decides to hold a public hearing, it is up to the regional district to determine the procedures for conducting the meeting. The regulations for public hearings to discuss bylaws could be used as a guide.

Q: How do these changes take effect if a regional district has already adopted a regional growth strategy consultation plan?

A: If a local government has adopted a regional growth strategy consultation plan before the new sections 855 and 857(3) came into force, the local government can continue under the previous sections of the *Local Government Act*, or amend their consultation plan to use the new provisions. This transition will provide continuity for regional districts that have already developed their regional growth strategy consultation plans, so that they need not immediately reopen their plans to consider the need for a public hearing. Any future amendments to the consultations plans would require consideration of the need for a public hearing.

Q. What do the changes to the “minor amendment process” do?

A: This amendment allows regional districts to expedite minor amendments to a regional growth strategy while ensuring that amendments that substantially change the vision and direction of the strategy are still subject to acceptance by all affected local governments. In this way the vision of a regional growth strategy is sustained while day-to-day technicalities can be dealt with in ways that will be more efficient and leave more time for discussion and decisions on substantive policies.

Facilitation for regional context statement acceptance process

Q. What does the change to the regional context statement legislation do?

A. Facilitation assistance is currently available when a regional context statement has formally not been accepted by the regional district board as well as access to arbitration. This amendment creates opportunities for earlier access to facilitation for issues raised during the development of a regional context statement.

Greater Vancouver Water District Amendments

Q. What is the purpose of the amendments to the *Greater Vancouver Water District Act*?

A. The amendments:

(1) create a definition of “energy” for the purposes of this Act in order to outline what kinds of energy projects the water district would be allowed to do

(2) state that in addition to the water district’s current “object,” or purpose, of providing water to the Greater Vancouver region, the water district also has the object of generating and selling energy.

Q. Why is the province amending this Act to allow the water district to generate and sell power?

A. The water district has identified several opportunities to capture energy from its waterworks. For example, excess water that is spilled over the Cleveland Dam during winter and spring could be used to generate electricity. Estimates suggest that obtaining energy from this project would reduce carbon emissions that would otherwise be produced by 6,800 tonnes per year. If the water district were a regional district or a municipality, it would be able to generate and sell power.

Q. Will the water district be regulated by the BC Utilities Commission?

A. The water district will be treated like any other local government or power producer in respect of BCUC regulation. The *Utilities Commission Act* definition of “public utility” excludes local governments providing a utility within their own boundaries, so unless a local government is providing a service outside its boundaries, it is not regulated by the BCUC.

Phased Development Agreements

Q. How do the changes to the legislation affect phased development agreements?

A: This legislation adds to the list of development permits that can apply to land subject to a phased development agreement, namely to provide for:

- energy conservation
- water conservation and
- reduction of greenhouse gas emissions

To ensure fairness to developers with land subject to a phased development agreement, this amendment requires local governments get the approval of the Inspector of Municipalities before a development permit can be applied to land that is subject to a phased development agreement.