

NO: R012

COUNCIL DATE: January 27, 2025

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **January 23, 2025**
FROM: **General Manager, Planning & Development** FILE: **0125-20**
SUBJECT: **Provincial Housing Targets Report 1.1: July to December 2024**

RECOMMENDATION

The Planning & Development Department recommend that Council:

1. Receive this report for information;
2. Approve the Housing Target Progress Report, as outlined in Appendix “I”; and
3. Authorize the General Manager, Planning & Development, to submit the Housing Target Progress Report to the provincial Minister of Housing, following Council endorsement of this report.

INTENT

The intent of this report is to provide progress information relating to Surrey’s Housing Target Order, and seeks Council approval of the Housing Target Progress Report 1.1 (the “Progress Report”) in Appendix “I” for submission to the provincial Minister of Housing. This Progress Report covers the period from July 1, 2024, to December 31, 2024, as required under the Housing Supply Act (the “Act”).

BACKGROUND

On June 25, 2024, the Minister of Housing issued Surrey with a Housing Target through Ministerial Order No. M200 (the “Order”), effective from July 1, 2024, until June 30, 2029. The Order establishes a five-year housing target of 27,256 net new units to be constructed and requires progress reporting to the Ministry of Housing. A copy of the Order is available on the Province’s website: https://www.bclaws.gov.bc.ca/civix/document/id/mo/mo/mo200_2024.

Key elements of the Order include:

- **Housing Target:** A five-year cumulative housing target of 27,256 net new units to achieve occupancy, with annual milestones;
- **Performance Indicators:** Metrics for assessing progress toward meeting targets, including housing completions and municipal actions; and

- **Progress Reporting Requirements:** Interim (six-month) and annual reports to be received in public meetings, approved by Council resolution, and submitted to the Minister of Housing within 45 days of the reporting period's end.

Table 1 summarizes the reporting periods and associated targets:

Table 1 Housing Target and Reporting Periods

Reporting Period		Annual Cumulative Housing Target	Year-Over-Year Housing Increase
Reporting Period 1.1	July 1, 2024 – December 31, 2024	<i>Interim Report*</i>	<i>Interim Report*</i>
Reporting Period 1.2	July 1, 2024 – June 30, 2025	4,233	4,233
Reporting Period 2	July 1, 2025 – June 30, 2026	8,872	4,639
Reporting Period 3	July 1, 2026 – June 30, 2027	14,120	5,248
Reporting Period 4	July 1, 2027 – June 30, 2028	20,180	6,060
Reporting Period 5	July 1, 2028 – June 30, 2029	27,256	7,076

*There is not a formal target in the Act for Reporting Period 1.1.

DISCUSSION

The Progress Report for the Reporting Period 1.1: July 1, 2024, to December 31, 2024 (the “Reporting Period”) is included as Appendix “I”. This report provides a detailed summary of the housing units that have been completed in the City during this period, in accordance with the reporting requirements set out in the Order.

The section of the report “Number of Housing Units by Size” remains blank intentionally. The City currently does not capture this specific data in its Land Management Approval system. Collecting this data retroactively would be prohibitively burdensome, requiring significant effort to acquire it from completed applications; however, staff are planning on improving the City’s data collection practices and systems to ensure that future reports can include more comprehensive data on unit sizes.

Housing Target Analysis

During the Reporting Period (the first six-months of the Order being effective), Surrey granted occupancy to a total of 2,567 net new units. This represents 60% of the first-year target of 4,233 units, taking into account demolitions of existing housing units. This is a significant achievement, reflecting ongoing efforts to meet Surrey’s housing goals.

The breakdown of the net new units reveals a notable trend toward multi-family and ownership units:

- Low-rise and high-rise apartments account for most of the units achieving occupancy during the reporting period, with 1,619 units.
- Ownership units form the largest category of completed units, totaling 2,213 units.

In-stream Units Analysis

Surrey has a substantial number of housing units in various stages of the development approval and construction process. These units are essential in ensuring that the City can achieve its housing targets.

Currently, there are over 44,300 units with rezoning conditional approval awaiting construction and over 13,700 units with issued building permits that are at various stages of construction.

Focusing on the Reporting Period, data indicates that Surrey has advanced 10,096 units, primarily from rezoning conditional approvals, but also from issued building permits and houseplex development permits in the approval process.

Moving these in-stream units into construction and subsequent occupancy is critical for the City's ability to meet its annual targets; however, the timing of their completion largely depends on the developers to submit compliant building permits and finalize construction. While the City plays an important role in ensuring that permits are processed efficiently, the final construction timeline, after permit issuance, is largely outside of the City's control.

Process Improvements to Enable More Housing Supply

In the past year, Surrey has introduced and implemented more than 25 major process improvements aimed at accelerating the approval and development of housing projects. These improvements focus on reducing timelines, increasing efficiency, and supporting the development community in delivering housing more quickly.

Some of the key improvements include:

- **Early Excavation for Multi-Family Housing:** Introduced pilot program to allow for excavation building permits to be issued ahead of final adoption of rezoning and development permit issuance which will help facilitate construction of new housing.
- **Simplified Houseplex Development Permit:** Introduced a simplified development permit process with reduced fees and faster approvals.
- **Development and Permit Approval Timelines:** Introduced Development and Permit Approvals Targets, aiming for a minimum reduction of 30% of permit timelines for all major development types.
- **Contract Award to Archistar:** Introduced an automated rule-based zoning bylaw compliance tool and initiated implementation.
- **Revamped Permitting Portal:** Enhanced the functionality of the Online Development Inquiry system and launched online trade permitting and inspection request capabilities.
- **Incentive Programs:** Introduced the Rapid Transit and Non-Market Rental Housing Incentive Programs to accelerate development.
- **Provincial Housing Legislation Bylaw amendments.** Updated *Surrey Zoning By-law, 1993, No. 12000* to meet the provincial housing legislation related to small-scale multi-unit housing.
- **Development Task Force:** Council approved the establishment of a new task force (the Development Approval Process Improvement Task Force) to examine the City's development and permit processes and provide advice to Council on suggested process improvements and enhancements.

A full list of these improvements, along with planned initiatives, is available on the City's website: <https://www.surrey.ca/renovating-building-development/development-permitting-improvements>

Next Steps

1. Upon Council approval, the Progress Report (Appendix "I") will be submitted to the Minister of Housing by the General Manager, Planning & Development or designate.
2. The next Housing Target Progress Report, covering July 1, 2024 to June 30, 2025, will be presented to Council in July 2025.
3. Staff will continue implementing process improvements under the Housing Accelerator Fund Action Plan and Development Approval Process Improvement Task Force.

CONCLUSION

The Progress Report indicates Surrey's favourable position in meeting the Province's housing target. With 2,567 net units granted occupancy, 10,096 in-stream units in the approval process, and significant process improvements delivered, the City is on target to meet the first-year cumulative housing target by June 30, 2025. It is recommended that Council support the recommendations of this report.

Original signed by
Ron Gill, MA, MCIP, RPP
General Manager, Planning & Development

Appendix "I" Housing Target Progress Report 1.1



HOUSING TARGET PROGRESS REPORT FORM

Housing Targets Branch
BC Ministry of Housing and Municipal Affairs

PURPOSE

Municipalities will use this form to complete the requirements for progress reporting under the [Housing Supply Act](#) (Act). The information provided will be evaluated to determine whether targets have been met or satisfactory progress has been made toward meeting targets.

REPORT REQUIREMENTS

The report must contain information about progress and actions taken by a municipality to meet housing targets as identified in the Housing Target Order (HTO).

The progress report must be received in a meeting that is open to the public and by Council resolution within 45 days after the end of the reporting period.

Municipalities must submit this report to the minister and post it to their municipal website as soon as practicable after it is approved by Council resolution.

ASSESSMENT

The Housing Targets Branch evaluates information provided in the progress report based on Schedule B - Performance Indicators in the HTO. If targets have not been met and satisfactory progress has not been made, the Minister may initiate compliance action as set out in the Act.

REPORT SUBMISSION

Please complete the attached housing target progress report form and submit to the Minister of Housing at Housing.Targets@gov.bc.ca as soon as practicable after Council resolution.

Do not submit the form directly to the Minister’s Office.

Section 1: MUNICIPAL INFORMATION	
Municipality	City of Surrey
Housing Target Order Date	July 1, 2024
Reporting Period	July 1, 2024 – December 31, 2024
Date Received by Council Resolution	
Date Submitted to Ministry	
Municipal Website of Published Report	
Report Prepared By	<input checked="" type="checkbox"/> Municipal Staff <input type="checkbox"/> Contractor/External
Municipal Contact Info	<i>Jerome Thibaudeau, Business Transformation Manager, jthibaudeau@surrey.ca, 604-591-4549</i>
Contractor Contact Info	<input checked="" type="checkbox"/> N/A (<i>name, position/title, email, phone</i>)

Section 2: NUMBER OF NET NEW UNITS				
Record the number of net new housing units delivered during the reporting period, and cumulatively since the effective date of the HTO. Net new units are calculated as completions (occupancy permits issued) minus demolitions. <u>Legalizing existing unpermitted secondary suites or other housing types does not count toward completions.</u>				
Section 8 must be completed if a housing target has not been met for the reporting period.				
	Completions (Reporting Period)	Demolitions (Reporting Period)	Net New Units (Reporting Period)	Net New Units (Since HTO Effective Date)
Total	2,739	172	2,567	2,567

Section 3: NUMBER OF HOUSING UNITS BY CATEGORY AND TYPE (Unit Breakdown Guidelines)				
Record the number of housing units in each category below for the reporting period and cumulatively since the effective date of the HTO. Definitions are provided in the endnote.				
	Completions (Reporting Period)	Demolitions (Reporting Period)	Net New Units (Reporting Period)	Net New Units (Since Effective HTO Date)
Units by Size				
Studio				
One Bedroom				
Two Bedroom				
Three Bedroom				
Four or More Bedroom ¹				
Units by Tenure				

Rental Units ² – Total	405	51	354	354
Rental – Purpose Built	158	48	110	110
Rental – Secondary Suite	246	3	243	243
Rental – Accessory Dwelling	1	0	1	1
Rental – Co-op	0	0	0	0
Owned Units	2336	123	2213	2213
Units by Rental Affordability				
Market	405	51	354	354
Below Market ³ - Total	0	0	0	0
Below Market - Rental Units with On-Site Supports ⁴	0	0	0	0

Section 4: MUNICIPAL ACTIONS AND PARTNERSHIPS TO ENABLE MORE HOUSING SUPPLY

A) Describe applicable actions taken in the last 12 months to achieve housing targets, in line with the Performance Indicators in the HTO. Each entry should include a description of how the action aligns with achieving the housing target, the date of completion, and links to any publicly available information. For example:

- Streamlined development approvals policies, processes or systems.
- Updated land use planning documents (e.g., Official Community Plan, zoning bylaws).
- Updated Housing Needs Report.
- Innovative approaches and/or pilot projects.
- Partnerships (e.g., BC Housing, CMHC, or non-profit housing organizations except First Nations – see Section 4 B).
- Other housing supply related actions.

The City has implemented and introduced several enhancements to streamline the development and permitting process, including:

Improvements to the application and permit approval process

- Introduced a [pilot program to allow for excavation building permits](#) to be issued ahead of final adoption of rezoning and development permit issuance which will help facilitate construction of new housing.
- Introduced a [simplified development permit process for houseplexes](#) to simplify the development permit process with reduced fees and faster approvals.
- The [introduction of the Development and Permit Approval Targets](#) which will provide approval targets that are reflected of the applicant experience. The targets will expand on the [current permitting timelines](#) to include a range of development types, such as townhouses, low-rise and high-rise projects.

- Introduced a [pilot program for early permit submission](#) to allow for building permits for new homes to be submitted after the preliminary layout approval process and before final subdivision to reduce the time for building permit issuance.
- [Stormwater drainage policy revisions](#): Updated policies for single-family lots to simplify stormwater drainage requirements.
- [Revisions to the Advisory Design Panel Terms of Reference](#) to clarify submission requirements.

Leveraging technology and improving access to permitting and inquiry services

- A [contract award to Archistar](#) which initiated the implementation of an automated rule-based bylaw compliance tool to streamline zoning reviews. The service is in development and expected to launch in mid-2025.
- Launched online permitting and inspection capabilities which includes permit status updates in real time, paying for fees, and requesting inspections:
 - Electrical [permits](#) and [inspections](#)
 - Plumbing [permits](#) and [inspections](#)
 - [Building inspections](#)
 - [Sign permits](#)
 - [Multi-family and complex building permits](#)
 - [Single-family building permits](#) (subdivision applications only)
- Improved the [Online Development Inquiry \(ODI\)](#) to include single-family building permit information and expanded trade permitting and inspection request capabilities.
- Launched the [Development Inquiry Assistant \(DIA\)](#) tool to help answer questions about development, building and renovating at any time of the day, from any device.

Updates to bylaws

- Introduced bylaw amendments related to the provincial housing legislation and [small-scale, multi-unit housing](#).
- Introduced the [designation of transit oriented areas and changes to off-street requirements](#).
- [Bylaw amendments to allow temporary real estate sales centre buildings](#).
- Amendments to the zoning bylaw to [streamline the development and permitting process for streamside protection and off-street parking](#).
- Implemented bylaw amendments for [short-term rentals](#).
- [Update land use designations for three plan areas](#), South Newton, King George Corridor, and Fleetwood Town Centre Plans, to better reflect market conditions and reduce the need for reoccurring plan amendments.

Incentive programs

The City created two project incentives to stimulate and accelerate the developing of housing units in the city:

- [Rapid Transit Development Incentives Program](#) encourages and accelerates the development of housing units near existing rapid transit, including existing SkyTrain stations and RapidBus corridors.
- [Non-Market Rental Housing Development Incentives Program](#) encourages and accelerates the development of non-market rental housing units.

Simplify application forms & checklists

We've streamlined and clarified minimum submission requirements. Recently updated forms include:

- [Land Development Application Form](#)
- [Submission Requirements Checklist](#)
- [Single-Family Dwelling Building Permit Checklist](#)

Development Approval Process Improvement Task Force

Council approved the establishment of a new [task force](#) to examine the City's development and permit processes and provide advice to Council on achieving this goal.

All of these improvement are listed on the Surrey website, at <https://www.surrey.ca/renovating-building-development/development-permitting-improvements>

B) Please provide any information about First Nation partnerships and/or agreements including planning, servicing and infrastructure that support delivery of housing on First Nation land including delivered and/or projected housing units.

- Provided financial support to the Surrey Urban Indigenous Leadership Committee (SUILC). Through a \$50,000 Housing Accelerator Fund funded contribution, SUILC completed a housing action plan.

Section 5: APPROVED HOUSING DEVELOPMENT APPLICATIONS

Report the number of approved applications issued by type since the effective date of the HTO. Each project should only be recorded once for the **most current** application type. Provide the estimated number of net new housing units to be delivered for each application category.

NOTE: units issued occupancy permits should be recorded in Section 2.

	Rezoning	Development Permit	Building Permit	Total
Applications	45	16 (Houseplex DP only, other DP included in Rezoning)	211	272
New Units	8,528	64 (Houseplex DP only, other DP included in Rezoning)	1,504	10,096

Unit Breakdown

Units by Size

Studio				
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One Bedroom				
Two Bedroom				
Three Bedroom				
Four or More Bedroom ¹				
Units by Tenure				
Rental Units ² - Total ²	1,376	48	695	2,119
Rental - Purpose Built	1,348	0	546	1,894
Rental - Secondary Suite	28	0	141	169
Rental - Accessory Dwelling	0	48	8	56
Rental - Co-op	0	0	0	0
Owned Units	7,152	16	809	7,977
Units by Rental Affordability				
Market	1,320	48	604	1,972
Below Market ³ - Total	56	0	91	147
Below Market - Rental Units with On-Site Supports ⁴	0	0	0	0

Section 6: WITHDRAWN OR NOT APPROVED HOUSING DEVELOPMENT APPLICATIONS

A) Indicate the number of applications and the estimated number of proposed units withdrawn by applicants, and /or not approved by staff or Council during this reporting period. Please include rezoning applications, development permits, and building permits.

	Applications Withdrawn	Applications Not Approved
Applications	17	1
Proposed Units	253	4

B) Provide a description of each application (e.g., rezoning, development permit, building permit) and brief summary of why each project was withdrawn or not approved.

Reason for Closing	Application Number	# of Units	Application Description
Cancelled by Applicant	22 003301 000 00 B7	2	New Single Family Dwelling with Secondary Suite
Cancelled by Applicant	22 007054 000 00 B7	2	New Single Family Dwelling with Secondary Suite
Cancelled by Applicant	22 009390 000 00 B7	2	New Single Family Dwelling with Secondary Suite
Cancelled by Applicant	22 026275 000 00 B7	2	New Single Family Dwelling with Secondary Suite
Cancelled by Applicant	23 029239 000 00 B7	2	New Single Family Dwelling with Secondary Suite
Cancelled by Applicant	23 059841 000 00 B7	2	New Single Family Dwelling with Secondary Suite
Cancelled by Applicant	23 075863 000 00 B7	2	New Single Family Dwelling with Secondary Suite
Cancelled by Applicant	23 076507 000 00 B7	2	New Single Family Dwelling with Secondary Suite
Cancelled by Applicant	24 020880 000 00 B7	2	New Single Family Dwelling with Secondary Suite
Cancelled by Applicant	24 020901 000 00 B7	2	New Single Family Dwelling with Secondary Suite
Cancelled by Applicant	24 027795 000 00 B7	2	New Single Family Dwelling with Secondary Suite
Cancelled by Applicant	23 022750 000 00 B7	1	New Single Family Dwelling
Cancelled by Applicant	24 016918 000 00 B7	1	New Single Family Dwelling
Closed by Applicant to support a new application	17 000465	123	NCP Amendment to introduce a new land use designation: Mixed-Use Commercial/Residential (90 upa) / NCP Amendment from Mixed-Use Commercial/Residential (30-45 upa) to Mixed-Use Commercial/Residential (90 upa) / Rezoning from RA to CD / Development Permit to permit the development of one 4-storey apartment building containing 29 units and one 5-storey apartment containing ground floor commercial units and 104 apartment units

Closed by Applicant to support a new application	20 000240	61	Official Community Plan Amendment from Suburban/Urban Reserve to Urban; Neighbourhood Concept Plan Amendment from Park to Townhouse; Rezoning from RA to RM-30; Subdivision from two (2) lots into one (1) lot; Development Permit to construct sixty-one (61) townhouse units.
Closed by Application or due to Applicant Inactivity	17 000427	45	OCP Amendment from Urban to Multiple Residential and Text Amendment to allow a higher density in the Multiple Residential designation; TCP Amendment from Townhouse to Low Rise; Rezoning from RF to CD (based on RM-45); Development Permit to permit the development of a 5-storey apartment building with approximately 55 units and Subdivision to consolidate from two (2) to one (1) lot
Denied by Council	21 000067	58	Rezoning from General Agriculture Zone (A-1) to Comprehensive Development Zone (CD), Quarter Acre Residential Zone (R2) and Urban Residential Zone (R3); Subdivision from one (1) lot into three (3) lots; Official Community Plan (OCP) Amendment for a portion of the site from Suburban to Urban; Development Permit to allow the development of a 58-unit townhouse complex, 1 quarter acre residential lot, and 1 remnant urban residential lot with future subdivision potential.
Denied by Council	23 000358	4	Rezoning from Suburban Residential Zone (R1) to Comprehensive Development Zone (CD) (based on Quarter Acre Residential Zone (R2)); Subdivision from one (1) lot into two (2) lots; Official Community Plan (OCP) Amendment from Suburban Density Exception Area (max 2 upa) to Suburban

Section 7: OTHER INFORMATION

Provide any other information not presented above that may be relevant to the municipality's effort and progress toward achieving the housing target.

None

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Section 8: SUMMARY OF PLANNED ACTIONS TO MEET TARGETS

If the housing target has not been met for the reporting period, please provide a summary of planned and future actions in line with the Performance Indicators that the municipality intends to take to meet housing targets during the two-year period following this report. For each action, provide:

- a description of how the action aligns with achieving the housing target;
- dates of completion or other major project milestones;
- links to any publicly available information; and
- the number of units anticipated by completing the action.

NOTE: THIS SECTION IS NOT APPLICABLE FOR INITIAL SIX-MONTH REPORTING.

Name of Action:	
Description of Action:	
Completion/Milestone Date:	
Link:	Number of Units:
Name of Action:	
Description of Action:	
Completion/Milestone Date:	
Link:	Number of Units:
Name of Action:	

Description of Action:	
Completion/Milestone Date:	
Link:	Number of Units:
<i>*Copy/Paste above description tables as needed</i>	

¹ If needed due to data gaps, it is acceptable to report “Three Bedroom” and “Four or More Bedroom” as one figure in the “Three Bedroom” row.

² **Rental Units** include purpose built rental, certain secondary rentals (secondary suites, accessory dwellings) and co-op.

³ **Below Market Units** are units rented at or below 30% of the local Housing Income Limits (HIL) per unit size.

⁴ **Below Market Rental Units with On-Site Supports** are units rented at the Income Assistance Shelter rate providing permanent housing and on-site supports for people to transition out of homelessness.