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Lynn Kriwoken
Director, Water Protection and Sustainability Branch
Ministry of Environment
PO BOX 9362 STN PROV GOVT
Victoria BC V8W 9M1

Dear Ms Kriwoken:

Re: *Water Sustainability Act* Legislative Proposal

I would like to thank you for meeting with representatives from the Urban Development Institute (UDI) and other real estate associations on November 8th to discuss the proposed *Water Sustainability Act (WSA)*. One of UDI's mandates is to promote the wise and efficient use of our resources. Our members continuously improve the sustainability of their projects every year.

As such, UDI is supportive of the government's efforts to protect one of British Columbia's key resources – fresh water. As noted at our November 8th meeting, UDI has some comments on the proposed *WSA* that we hope you will consider.

Future Consultations:

It appears that the *WSA* proposal is a framework with details to be decided after the legislation is passed. It is not yet clear what is being proposed on several key issues, including governance, water rates/charges, measuring/reporting, processes and the impact of the regulatory framework on urban/regional planning. Further consultation is needed on the specific proposals the government has on these matters before they are implemented. UDI would like to participate in those discussions.

At the same time, UDI members have had difficulty when the regulations for new environmental legislation are delayed. Proponents, consultants and regulators are unsure of what rules apply and how projects should proceed. We recommend that the government not have lengthy delays in passing key regulations under the

legislation that could impact project approvals – with the understanding that consultation with affected stakeholders is still necessary before regulations are passed. We ask those consultations begin as soon as possible and before the legislation is enacted.

Governance:

UDI agrees with other business and industry groups that the Provincial Government should remain as the key decision maker on water policy. We would not support decision-making or management powers being delegated to local or regional governments. UDI appreciates that these governments should be consulted as decisions are made that impact their citizens. However, most do not have the capacity to take on significant management and decision-making responsibilities for our water resources.

We are concerned that some may use delegated powers to increase their revenues. Our industry has had difficulty with the *Riparian Areas Regulation* "meet or beat" provision, which has led to significant amounts of land not being allowed for potential development. Some of these lands are simply being used as green spaces for local communities and not for the intended purpose under the RAR.

Certainly, more consultation is needed on governance if the *WSA* is passed.

Planning Processes:

UDI supports the integration of water objectives into land use planning. In addition *Building Code* requirements in areas where water shortages are more prevalent need to be coordinated with land use planning to reduce water consumption in a reasonable manner. Funding also needs to be made available to local communities to enhance water storage reservoirs, so developers (and the businesses and new homebuyers they serve) don't have to wear the heavy burden of such expensive infrastructure items as this increases housing costs.

It is not clear how the *WSA* will impact urban and regional planning in the Province. How will Regional Growth Strategies and Official Community Plans be changed if the *WSA* is passed? UDI is also concerned that the development review process in municipalities may be further delayed. These processes are already lengthy. We would not want them to be longer because of new required approvals under the *WSA*. We would like to have further discussions with the Government regarding how the *Water Sustainability Act* may impact urban planning and municipal development review processes.

It would also be helpful to our members to know ahead of time if there will be any restrictions because of areas set aside for groundwater protection. Clarity on this issue would be appreciated and assist in the planning of communities.

Regulating Groundwater:

The government is proposing to protect groundwater. We ask that the costs of estimating the water available be done at a community scale, so no single developer has to pay for expensive studies and experience project delays to determine if there is water available for new development.

The Ministry also needs to pay special attention to the reality of septic systems that are needed in more rural development areas when writing the regulations. We do not want development to be hindered because of concerns over septic field discharges. *The Plumbing Code*, Health Authority standards, and the *WSA* need to be carefully coordinated so conflicting regulatory requirements are avoided.

We are pleased that residential units may be exempted from many of the regulatory requirements for groundwater under the *WSA*. However, we do not believe that this exemption should apply to areas with serviced water. Residents in these areas should have to receive Provincial approval for drilling wells. There are several reasons for this:

- It is unnecessary because water is being piped directly to residential units.
- Wells in urban areas may pose health problems, as many of these areas have contaminants in the soil and ground water.
- Some residents who would drill wells may be doing it to bypass municipal water scarcity regulations to water lawns and gardens.
- It would make it easier for the Government to have more reasonable soil/groundwater contaminant regulations in urban areas. We question why sites must be cleaned to drinking water standards in urban areas. The groundwater cannot be relied upon for drinking because even if a site is cleaned to drinking water standards, contaminants will continue to migrate onto the site from other properties.

The *Fish Protection Act*:

The *Fish Protection Act* has provisions for flow assessment in streams and the ability to remove water rights in critical water situations. UDI wants to ensure that those provisions are synchronized with the *WSA*.

Agricultural Water Reserve (AWR):

The government is proposing an Agricultural Water Reserve that would protect water rights for farming on agricultural lands. UDI recommends that the government conduct the appropriate analysis to ensure that the Agricultural Water Reserve will not hinder development on sites outside of agricultural areas because water to service those sites would be restricted because of the AWR.

Water Rates:

UDI does not have serious concerns with increasing costs for water. High prices can lead to water efficiency improvements for residential buildings – but in a cost-effective market driven way. We have noted in the past that we would rather have higher prices with fewer regulations than the reverse. At the same time, water pricing should not be a profit centre for governments or support unnecessary regulations or administrative costs.

Protection of Stream Health and Aquatic Environments:

UDI supports the Province's increased attention to protect water quality from pollutants. However, when considering stormwater runoff, the requirements need to be reasonable. In many cases, it is not possible to have post-development runoff equal to pre-development runoff – and this is critical when developers are developing at sustainable densities (i.e. higher densities in urban areas).

Regulate Water Use during Times of Scarcity.

This is an important measure as fish live on multi-year cycles and one single low flow event can have intergenerational impacts. However, it is important that developers are not charged for the cost of determining low flows or the conditions prior to development. The broader community should fund this, or it will hinder development in many areas.

Where low flow conditions are often experienced, the Province needs to work with municipalities and the industry to enact water-wise measures (e.g. xeriscape landscaping and water efficient appliances).

It would also be helpful if the Province made it easier to use greywater for irrigation to offset those uses in the summer. Currently health standards established by the Health Authorities and the *Plumbing Code* make it very difficult for proponents to utilize greywater recycling.

Measure and Report Large Scale Water Use:

This is important for large users of water. However, a cost/benefit analysis should be done for smaller users of water (e.g. those living in individual units). The costs of putting in meters for input and sanitary systems for development can be unnecessarily expensive, making development less feasible and undermining housing affordability. As such, the technology and costs that are entailed in implementing this in development projects needs to be considered carefully.

Water Friendly Guidelines

The Ministry may wish to consider developing a water-friendly set of development guidelines that developers can use. To incent their use, developers that utilize the guidelines could receive streamlined approvals and exemptions from studies, as well as other benefits. We note that in the absence of such guidelines, the development process will become more costly, as consultants will have to be hired to do the same work for every project.

Thank you again for meeting with UDI and the other real estate associations about this important legislative proposal. We look forward to working with you and the Ministry of Environment as this initiative moves forward.

Yours truly,



Anne McMullin
President and CEO