

Planning at the Edge: How Prince Rupert Reimagined Its Role in Housing Delivery

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Planners across British Columbia and the Yukon know that housing delivery is challenging everywhere, but in northern, rural, remote, and Indigenous communities, the barriers are often greater and more persistent. Prince Rupert's recent experience illustrates how a small municipality can shift from being a regulator of development to an active enabler of housing. The city's story is one of practical policy reform, relationship building, and a willingness to be flexible in the face of long standing assumptions about the role of local government.

The Northern Reality

Across northern BC, familiar provincial challenges appear in more acute form: aging infrastructure, limited staff capacity, and a rising unhoused population driven by increasing costs of living. Northern communities also face additional constraints. Rental availability is particularly limited. Housing stock is older and often inadequate. Transit systems are less developed. Construction industries are smaller and more fragile. The "northern

factor" adds cost to every stage of development, from securing materials to attracting labour. Finally, short construction windows compress timelines even further.

Prince Rupert's Example

Because of all these factors and more, it is expensive to build in Prince Rupert. Located at the end of Highway 16, the city's original townsite was designed in Southern California in 1907 and applied to Kaien Island with little regard for topography, soil, or climate. As a result, Prince Rupert retains a pre 1910 City Beautiful layout: walkable, dense, and built on small 25 by 100 foot parcels with plenty of opportunity for infill. However, what seems like a modern planner's dream on paper, is a little more complicated in reality.

The land base is constrained by muskeg and steep slopes. A long lasting economic downturn and aging infrastructure have made financing new projects difficult. After 25 years of economic downturn, no one could build, housing was being squeezed, infrastructure was failing, and traditional growth

management tools, such as Development Cost Charges, posed additional deterrents to investment.

Recognizing these realities, the City of Prince Rupert shifted its planning approach in 2022 from exclusive "Regulator" to "Enabler" to initiate growth. At the beginning of this strategy, the city was losing more housing than was being built, with 2021 seeing a net loss of 6 housing units. By the end of 2025, 185 new units were under construction, with an additional 209 in various stages of development permitting.

Using the Tools Available:

The first step was introducing a suite of incentives designed to reduce costs and encourage reinvestment. These included:

- Planning and Development fee waivers for new housing
- Downtown tax revitalization exemptions.
- Removal of all off street parking requirements for mixed use or commercial developments in the downtown.

The City also leveraged its land base. In 2022, Council pre approved the sale of several City owned properties and changed its approach to offers on additional parcels based on community benefit, alignment with the OCP and Housing Strategy, and commitment to near term development. This approach has already resulted in two housing projects.

Prince Rupert Legacy Inc., the City's venture corporation, offers additional flexibility to be more directly involved in development. While not currently its focus, this model allows land to be sold without the reserve restriction in Section 188 of the Community



Prince Rupert Harbour

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Residences in Prince Rupert

Charter, which could open the opportunity for several development and partnership approaches in the future.

Permissive, Predictable, and Practical Regulation

Prince Rupert’s regulatory overhaul focused on reducing friction for both developers and municipal staff. The emphasis was on simplicity, efficiency, certainty, and the practical realities of the development environment.

A major push came in 2023 with the introduction of Bill 44 for Small Scale Multi Unit Housing (SSMUH). The City embraced SSMUH with a guiding principle: let geography, not regulation, determine density. Key changes included:

- Allowing up to four units per site in any configuration

- Removing the Development Permit requirement for projects up to four units
- Relaxing height and setback requirements to reflect existing non conformance and small lot sizes
- Reducing parking requirements to accommodate more density while retaining minimums due to limited transit. The City introduced a graded parking requirement: single family homes require 1 stall per unit, duplexes 0.75, houseplexes 0.5, and accessory dwelling units only 0.25 new stalls.

These changes significantly reduced the number of variance permits and shortened processing times. They also placed more responsibility on developers to design feasible projects rather than relying on prescriptive

regulation that often complicated building on the small lots.

The City also delegated Development Permits and minor Development Variance Permits. Combined with regulatory changes, the average rate of variance approvals has since halved. Delegation has provided more certainty to developers and shorter timelines, as staff approvals follow clear, transparent guidelines.

The Zoning Bylaw was designed to be simple, avoiding unnecessary distinctions between housing types and not imposing minimum unit sizes. It focuses on land use rather than construction methods, consistent with the interpretation that municipalities regulate what is built, not how it is built. This approach has already paid off: the city’s newest multi family project achieved occupancy using modular units and off site construction

Relationships as a Housing Strategy

In small communities, relationships are often the most powerful tool available. Prince Rupert's experience demonstrates how collaboration can unlock projects that would otherwise stall. See *Figure 1*.

First Nations partnerships are essential, as housing is often a shared priority for First Nation members and families. The City has worked with various Ts'msyen communities and other First Nations to support housing through land contributions, supportive policy environments for funding applications, and coordinated timelines.

Close staff to staff relationships with BC Housing have also been key. Letters of support, early coordination, and clear communication have helped secure funding for 170 affordable units to date.

Finally, relationships with local and non local developers determine whether builders are willing to take on projects in a high cost, high risk northern environment. Prince Rupert is formalizing a development concierge model that provides:

- Regular and consistent communication.
- Project tracking.
- Clear guidance across departments.

This approach is staff intensive upfront but reduces rework, uncertainty, and delays. It has so far improved relationships with developers and strengthened the City's reputation.

What This Looks Like in Practice

North Star Development – Aurora Housing – 40 Rental Units. See *Figure 3*.

Initially planned as a land sale, the City allowed the developer to pivot to a ground lease when BC Builds financing became available. Modular construction enabled a 2.5 year timeline (2023–2026) from initial conversations to occupancy, including a sale Agreement, Rezoning, Development Permit, Lease Option, Building Permit, and Utilities Work. The Developer benefited from flexible regulation, fee waivers, land sale, and the development concierge model to achieve efficient approvals and build.



Figure 1
38-Unit BC Housing Project
led by Lax Kw'alaams
WAAP Housing Society.
Groundbreaking took place
in November 2025.

Figure 2 (below)
70-unit BC Housing Project
led by Lax Kw'alaams WAAP
Housing Society, Nearing
completion in March 2026.



WAAP Housing Society’s BC Housing Projects – 70-Units and 38-Units

Lax Kw’alaams WAAP Housing Society was successful in two consecutive rounds through BC Housing’s Indigenous Housing Fund. The 70-unit building benefitted from the City’s land donation, concierge model through several iterations of design, and permit fee waivers. The 38-unit building was supported through letters of support, the design concierge model that enabled rapid approvals, fee waivers, and parking exemptions in the downtown core. See Figure 2.

The Work Ahead

Despite progress, challenges remain: infrastructure gaps, limited tools to require

servicing upgrades without significant population growth, capacity constraints in adopting new provincial tools, continued housing loss due to old stock, and difficulty securing financing for market housing. See Figure 4.

While this approach may not suit every community, Prince Rupert’s experience shows that even in the face of significant constraints, northern municipalities can meaningfully influence housing outcomes

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Figure 3
New 40-unit building completed by Aurora Housing/ North Star Development. It was completed using modular housing and achieved occupancy in March 2026.



2021-2026 Housing Needs Assessment Housing need	Housing Lost (2021-2025)	Housing Units awarded Building Permits (2021-2025)	Housing Units as per active Development Permit	Housing needed to stay on track
532	137	185	209	484

Figure 4 (table above)
Housing Need, housing builds, and housing lost from 2021-2026. Taken from publicly available report prepared by Prince Rupert Planning Department with permission.