

December 15, 2025

Mayor Stewart and Council
City of Coquitlam
3000 Guildford Way
Coquitlam, BC V3B 7N2

Re: City of Coquitlam Proposed Revised Step Code Approach

Dear Mayor Stewart and Council,

UDI appreciates the work undertaken by City staff to review and refine the proposed approach to the Energy Step Code (ESC) and Zero Carbon Step Code (ZCSC), as outlined in the December 8 report. As noted in our previous correspondence, however, UDI continues to recommend pausing any further escalation of ESC and ZCSC requirements and undertaking additional consultation with the development industry before moving ahead. Given current market conditions, we must be focused on reducing the cost of delivering new homes, not adding to it, so we can collectively advance our shared goal of delivering more housing in Coquitlam.

UDI also reiterates its position that the Zero Carbon Step Code should not be escalated beyond Emission Level 2 at this time. While we recognize the long-term policy objectives associated with ZCSC, the current economic environment means that even incremental cost increases or additional regulatory requirements can have disproportionate impacts on project viability. In today's market, delays and added costs compound quickly, resulting in projects being deferred or cancelled altogether, which ultimately undermines housing supply, employment, and the City's broader housing objectives.

Finally, it is important that any future decisions related to ZCSC implementation be informed by a clear and shared understanding of local electrical distribution capacity in Coquitlam. As electrification becomes an increasingly important component of new development, early coordination and clarity around servicing capacity, timelines, and infrastructure planning will be essential to avoid unintended delays or uncertainty for projects already under significant financial pressure. UDI encourages continued collaboration with BC Hydro to ensure these considerations are well understood and aligned before advancing additional requirements.

As such, UDI respectfully recommends that Council request staff to undertake additional consultation with the development industry prior to advancing any changes to ESC or ZCSC requirements.

Sincerely,

A handwritten signature in black ink, appearing to read 'Anne McMullin', with a stylized flourish at the end.

Anne McMullin, President and CEO
Urban Development Institute