

# Ministry of Municipal Affairs and Housing

## Estimates Debate 2019/20

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# **Ministry of Municipal Affairs and Housing and the Minister**

## **2018/19 Budget Questions and Answers**

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- 1. Housing Affordability**
  - a. Fairness for renters / landlords**
  - b. Renter's rebate**
- 2. B.C.'s Participation in Federal Infrastructure**
- 3. Mayor's Council/TransLink Funding**



## 1. Housing Affordability

**What new investments are being made to help British Columbians with housing affordability?**

### **New Housing Investments**

*Budget 2018* commits \$1.6 billion in new housing initiatives over the next three years, including:

- *New Affordable Rental Housing and Other Supports:* \$632 million will provide the first three years of funding for government's ten year commitment to support an estimated 21,000 affordable rental housing units for families, Indigenous peoples and seniors struggling to find affordable rental housing in their communities. This will include mixed use developments that will also improve housing choices for the "missing middle" as well as provide on-going support services to 4,000 units of capital funded supportive housing projects, and additional capacity for local governments to assess and respond to community housing needs.
- *Preserving Existing Affordable Housing:* \$235 million over three years will support essential building repairs and maintenance, critical life safety, seismic and fire safety and energy performance upgrades for existing units of social housing owned by non profit housing providers.
- *Rental Assistance Programs:* \$116 million over three years will expand eligibility and increase benefits of rental assistance programs under the Rental Assistance Program and Shelter Aid for Elderly Renters Program.

## **2. B.C.'s Participation in Federal Infrastructure**

### **What type of projects will be eligible for funding under these new programs?**

- More than half of the federal allocation is focused on the Public Transit Infrastructure Fund supporting both Translink and BC Transit priorities.
- The remaining funding is focused toward projects that meet a variety of outcomes from enhanced environmental quality, reduced greenhouse gas emissions to improved access to recreational and cultural facilities as well as improved broad band connectivity, food security and several other important community based outcomes.
- Eligible projects must be for public use and benefit.

### **Who is eligible for funding under these programs?**

- While the provincial government has yet to sign the agreement and confirm the terms and conditions, it is likely that funding would be available to a variety of entities.
- Eligible applicants vary across funding streams. While the program will support provincial assets, the intent of the program is to provide funding across a variety of sectors. The following entities may be eligible for funding, depending on the program and contingent on the province entering into agreement with the federal government: local governments, first nations, not-for-profit organizations and in some cases for-profit organizations.

### **3. Mayors' Council/TransLink Funding**

*(Note: Messaging could change based on status of negotiations with TransLink.)*

#### **Does the Province have the money to fund its share of the Mayors' Council Vision?**

- Investment in transit and transportation that makes life better for British Columbians remains a priority for our government.
- The Province remains committed to funding 40 per cent of the capital costs for each phase of the Mayors' Council 10-Year Vision.
- The Ministry of Transportaion and Infrastructure has notionally programmed this commitment in its ten year transportation plan
- We are currently working with TransLink to clarify the future annual funding requirements to support this commitment and how these can be managed within the Province's transportation capital plan.

#### **Is the Province at risk of not securing the \$2.2 billion in Federal Public Transit Infrastructure Fund (PTIF) money for Metro Vancouver that was announced in March 2017.**

- The Province is working closely with the federal government and is currently in negotiations with Infrastructure Canada on an Integrated Bilateral Agreement that would enable us to access this funding.
- We anticipate these dicussions to conclude in the near future.

#### **When can we expect to see announcements on the decisions for these transit projects?**

- The Province and TransLink are currently finalizing the business cases for these projects.
- The final business case will enable all three levels of government to fully understand the particulars of these major infrastructure projects.
- The business cases also help ensure that British Columbians receive full value for the significant investments that are associated with these projects.
- We anticipate that we will be in a position to announce decisions on these projects later in the spring.
- We look forward to continue working with the federal government, TransLink and the Mayors' Council to have these projects underway as soon as possible.

**When will the public learn the cost of these projects?**

- Updated cost estimates will be released publicly once the business cases are finalized.

**Will the business cases for these projects be made public?**

- Business cases and updated cost estimates will be released publicly once they are finalized.

**How will the region fund its share of these projects?**

- Our government is committed to making life more affordable, delivering the services people count on and building a strong, sustainable and innovative economy that works for everyone.
- This includes partnering with TransLink and the Mayors' Council to develop lasting, effective and fair solutions to the region's transportation needs.
- We are eager to work with the Mayors to get people moving across Metro Vancouver and encourage the Mayors' Council to focus on regional revenue options within its control to fund its fair regional share of the plan.

# Ministry of Municipal Affairs and Housing

## 2018/19 Estimates Summary

### **MINISTRY ESTIMATES BUDGET OVERVIEW**

**Vote 36 - Ministry Operations (excluding Housing)**  
**2018/19 Estimate Budget: \$207.352M (a net decrease of \$47.629M or 22.9% from the Restated Estimates of 2017/18 of \$254.981M)**

The year-over-year decrease of \$47.629M in Vote 36 is mainly due to timing of grants and federal recoveries under the Clean Water and Wastewater Fund (CWWF) and New Building Canada Fund – Small Communities Fund (NBCF-SCF) agreements managed by the Local Government Division. Year-over-year changes include:

- \$15M in lower provincial funding under the CWWF;
- \$6M in lower provincial payments under the NBCF-SCF; and
- Increases of \$25.172M and \$4M for federal recoveries for CWWF and NBCF-SCF, respectively.

These reductions to net ministry spending are offset by:

- \$171,000 increase to reflect the administrative portion of the Federal Infrastructure for CWWF;
- \$2.100M increase for housing initiatives in the Local Government Division;
- \$209,000 salary and benefit increase for BCGEU staff as per the current collective agreement;
- \$61,000 increase due to changes in the benefits chargeback rate; and
- \$2,000 increase for other minor adjustments.

**Vote 37 - Housing**  
**2018/19 Estimate Budget: \$466.872M (a net increase of \$31.890M or 7.3% from the Restated Estimates of 2017/18 of \$434.982M)**

The \$31.890M increase is due to the following:

- \$28.958M in higher government transfers to BC Housing Management Commission for \$23.300M for RAP/Safer program enhancements, \$2.300M for new housing supply initiatives, and \$700,000 for administration costs (*Budget 2018*), as well as increases \$1.674M for negotiated increases for included staff, and \$984,000 for Single Room Occupancy Annual Service payments from prior budgets.
- \$2.263M overall increase to the Residential Tenancy Branch lift provided in *Budget 2017 Update* to provide additional resources to assist with addressing back log.
- \$500,000 budget lift in *Budget 2018* to Housing Policy Branch to provide additional resources for new housing initiatives.
- \$132,000 salary and benefit increase for BCGEU staff as per the current collective agreement.
- \$37,000 increase due to changes in the benefits chargeback rate.

**Vote 45 Capital Funding**  
**2018/19 Estimate Budget: \$227.687M (a net increase of \$54.474M from the Restated Estimates of 2017/18 of \$173.213M)**

- \$54.474M increase from Restated Estimates 2017/18 of \$173.213M due to:
  - \$10.500M increase for Permanent Supportive Housing;
  - \$15.990M increase for Transition Housing;
  - \$24.300M increase for Routine Capital; and
  - \$3.684M increase in Routine Capital funding from previous budget loads.

## **CORE BUSINESS SUMMARY**

### **Local Government Division \$186.970M**

- \$186.970M (\$47.770M decrease from Restated Estimates 2017/18 of \$234.740M)
  - \$15M decrease to the Clean Water and Wastewater fund due to lower provincial funding
  - \$171,000 increase to the Clean Water and Wastewater fund administration salaries and benefits lift
  - \$25.172M increase to Clean Water and Wastewater fund federal recoveries
  - \$6M decrease to the New Building Canada – Small Communities Fund due to lower provincial funding
  - \$4M increase to the New Building Canada – Small Communities Fund federal recoveries
  - \$2.100M increase due to the Housing Initiative budget lift (\$100,000 salaries and \$2M government transfers)
  - \$91,000 increase to BCGEU salaries and benefits
  - \$32,000 increase due to changes in the benefits chargeback rate
  - \$8,000 increase for other minor adjustments

### **Community and Legislative Services \$3.062M**

- \$3.062M (\$32,000 increase from Restated Estimates 2017/18 of \$3.030M)
  - \$33,000 increase to the BCGEU salaries and benefits
  - \$10,000 increase due to changes in the benefits chargeback rate
  - \$11,000 decrease for other minor adjustments

### **Housing \$453.988M**

- \$453.988M (\$31.890M increase from Restated Estimates 2017/18 of \$422.098M)
  - \$28.958M overall increase to the BC Housing Management Commission
    - \$23.300M increase for RAP/SAFER program enhancements
    - \$2.300M increase for new housing supply initiatives
    - \$700,000 increase for administration costs
    - \$1.674M increase for negotiated increases for included staff
    - \$984,000 increase for Single Room Occupancy Annual Service payments
  - \$2.263M overall increase to the Residential Tenancy Branch
    - \$3.017M increase in *Budget 2017 Update* to provide additional resources to address back logs
    - \$754,000 decrease due to prior year funding in FY18 for operational resources in the branch

- \$500,000 increase to Housing Policy to provide additional resources for new housing initiatives
- \$132,000 increase to the BCGEU salaries and benefits
- \$37,000 increase due to changes in the benefits chargeback rate

#### **Executive and Support Services \$6.878M**

- Minister's Office  
\$573,000 (\$1,000 increase from Estimates 2017/18)
- Corporate Services  
\$6.305M (\$108,000 increase from Restated Estimates 2017/18 of \$6.197M)
- \$85,000 increase to the BCGEU salaries and benefits
- \$19,000 increase due to changes in the benefits chargeback rate
- \$4,000 for other minor adjustments

#### **Special Accounts \$23.326M**

- Housing Endowment Fund  
\$12.884M no change
- University Endowment Lands Administration Account  
\$10.442M no change

#### **Capital Budget**

- \$945,000 (\$493,000 increase from Estimates 2017/18 of \$452,000)
  - Increase of \$493,000 for the Local Government Information System





July 18, 2017

Honourable Selina Robinson  
Minister of Municipal Affairs and Housing  
Parliament Buildings  
Victoria, British Columbia V8V 1X4

Dear Minister Robinson:

Congratulations on your new appointment as Minister of Municipal Affairs and Housing.

It has never been more important for new leadership that works for ordinary people, not just those at the top.

It is your job to deliver that leadership in your ministry.

Our government made three key commitments to British Columbians.

Our first commitment is to make life more affordable. Too many families were left behind for too long by the previous government. They are counting on you to do your part to make their lives easier.

Our second commitment is to deliver the services that people count on. Together, we can ensure that children get access to the quality public education they need to succeed, that families can get timely medical attention, and that our senior citizens are able to live their final years with dignity.

These and other government services touch the lives of British Columbians every day. It is your job as minister to work within your budget to deliver quality services that are available and effective.

Our third key commitment is to build a strong, sustainable, innovative economy that works for everyone, not just the wealthy and the well-connected. Together, we are going to tackle poverty and inequality, create good-paying jobs in every corner of the province, and ensure people from every background have the opportunity to reach their full potential.

These three commitments along with your specific ministerial objectives should guide your work and shape your priorities from day to day. I expect you to work with the skilled professionals in the public service to deliver on this mandate.

As you are aware, we have set up a *Confidence and Supply Agreement* with the B.C. Green caucus. This

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agreement is critical to the success of our government. Accordingly, the principles of “good faith and no surprises” set out in that document should also guide your work going forward.

As minister, you are responsible for ensuring members of the B.C. Green caucus are appropriately consulted on major policy issues, budgets, legislation and other matters as outlined in our agreement. This consultation should be coordinated through the Confidence and Supply Agreement Secretariat in the Premier’s Office. The secretariat is charged with ensuring that members of the B.C. Green caucus are provided access to key documents and officials as set out in the agreement. This consultation and information sharing will occur in accordance with protocols established jointly by government and the B.C. Green caucus, and in accordance with relevant legislation.

British Columbians expect our government to work together to advance the public good. That means seeking out, fostering, and advancing good ideas regardless of which side of the house they come from.

Our government put forward a progressive vision for a Better B.C. that has won broad support with all members of the legislature. There is consensus on the need to address many pressing issues such as reducing health-care wait times, addressing overcrowded and under-supported classrooms, taking action on climate change, tackling the opioid crisis, and delivering safe, quality, affordable child care for all. As one of my ministers, I expect you to build on and expand that consensus to help us better deliver new leadership for British Columbians.

As part of our commitment to true, lasting reconciliation with First Nations in British Columbia our government will be fully adopting and implementing the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), and the Calls to Action of the Truth and Reconciliation Commission. As minister, you are responsible for moving forward on the calls to action and reviewing policies, programs, and legislation to determine how to bring the principles of the declaration into action in British Columbia.

In your role as Minister of Municipal Affairs and Housing I expect that you will make substantive progress on the following priorities:

- Partner with local governments and First Nations to develop a community capital infrastructure fund to upgrade and build sports facilities, playgrounds, local community centres, and arts and culture spaces.
- Through partnerships with local governments, the federal government, and the private and not-for-profit sectors, begin to build 114,000 units of affordable market rental, non-profit, co-op, supported social housing and owner-purchase housing.
- Create new student housing by removing unnecessary rules that prevent universities and colleges from building affordable student housing.
- Amend the Residential Tenancy Act to provide stronger protections for renters, and provide additional resources to the Residential Tenancy Branch.
- With the Minister of Finance, deliver an annual renter’s rebate of \$400 dollars per rental household to improve rental affordability.

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- Work in partnership to develop a homelessness action plan to reduce the homeless population through permanent housing and services. As part of the plan, conduct a province-wide homelessness count.
- Work with the Minister of Finance to address speculation, tax fraud and money laundering in the housing market.
- As the Minister responsible for TransLink, support the Mayors' Council 10-Year Vision for Metro Vancouver Transportation by funding 40% of the capital costs of every phase of the plan, in partnership with all levels of government.

All members of Cabinet are expected to review, understand and act according to the *Members Conflict of Interest Act* and to conduct themselves with the highest level of integrity. Remember, as a minister of the Crown, the way you conduct yourself will reflect not only on yourself, but on your Cabinet colleagues and our government as a whole.

I look forward to working with you in the coming weeks and months ahead.

It will take dedication, hard work, and a real commitment to working for people to make it happen, but I know you're up to the challenge.

Sincerely,

A handwritten signature in black ink that reads "John Horgan". The signature is written in a cursive, flowing style.

John Horgan  
Premier

### Role of the Parliamentary Secretary for TransLink

#### ISSUE

- Roles and responsibilities of the Parliamentary Secretary for TransLink.

#### RECOMMENDED RESPONSE

- **On my behalf, Parliamentary Secretary Ma engages with TransLink stakeholders and customers on issues affecting the affordability and quality of transit services.**
- **Parliamentary Secretary Ma monitors the work of the Mobility Pricing Commission and reports to me on the implications of various options that could support government's goals to improve affordability, improve services and create jobs.**
- **Among other tasks, Parliamentary Secretary Ma also supports me in considering longer-term investments in Lower Mainland transportation that may merit consideration, including deployment of new electric power or low-emission fuel technologies and “smart city” technologies.**

#### KEY CONSIDERATIONS

- The Parliamentary Secretary for TransLink has the following priorities outlined in her mandate letter (See Appendix 1 for full mandate letter):
  - Engage, on the Minister's behalf, with TransLink stakeholders and customers on issues affecting the affordability and quality of transit services, keeping in mind that government direction to TransLink is provided through the government-appointed members of the TransLink board;
  - Monitor the TransLink fare review and report to the Minister on the implications of various options under consideration for the government's goals to improve affordability, improve services and create jobs;
  - Monitor the work of the Mobility Pricing Commission and report to the Minister on the implications of various options to support government's strategic goals; and
  - Assess and report to the Minister on longer term investments in Lower Mainland transportation that may merit consideration, including expanded community rail, deployment of new electric power or low-emission fuel technologies and “smart city” technologies.





October 23, 2017

Bowinn Ma  
Parliamentary Secretary for Translink  
Parliament Buildings  
Victoria, British Columbia V8V 1X4

Dear Parliamentary Secretary Ma,

Congratulations on your new appointment as Parliamentary Secretary for Translink.

It has never been more important for new leadership that works for ordinary people, not just those at the top. It is your job to deliver that leadership in your ministry.

Our government made three key commitments to British Columbians.

Our first commitment is to make life more affordable. Too many families were left behind for too long by the previous government. They are counting on you to do your part to make their lives easier.

Our second commitment is to deliver the services that people count on. Together, we can ensure that children get access to the quality public education they need to succeed, that families can get timely medical attention, and that our senior citizens are able to live their final years with dignity. These and other government services touch the lives of British Columbians every day. It is your job as parliamentary secretary to work within your budget to deliver quality services that are available and effective.

Our third key commitment is to build a strong, sustainable, innovative economy that works for everyone, not just the wealthy and the well-connected. Together, we are going to tackle poverty and inequality, create good-paying jobs in every corner of the province, and ensure people from every background have the opportunity to reach their full potential.

These three commitments along with your specific parliamentary secretary objectives should guide your work and shape your priorities from day to day. I expect you to work with the skilled professionals in the public service to deliver on this mandate.

As you are aware, we have set up a *Confidence and Supply Agreement* with the B.C. Green caucus. This agreement is critical to the success of our government. Accordingly, the principles of "good faith and no surprises" set out in that document should also guide your work going forward. As parliamentary secretary, you are responsible for ensuring members of the B.C. Green caucus are appropriately consulted on major policy issues, budgets, legislation and other matters as outlined in our agreement. This consultation should be coordinated through the Confidence and Supply Agreement Secretariat in the Premier's Office. The secretariat is charged with ensuring that members of the B.C. Green caucus are provided access to key documents and officials as set out in the agreement. This consultation and

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Premier

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Victoria

information sharing will occur in accordance with protocols established jointly by government and the B.C. Green caucus, and in accordance with relevant legislation.

British Columbians expect our government to work together to advance the public good. That means seeking out, fostering, and advancing good ideas regardless of which side of the house they come from. Our government put forward a progressive vision for a Better B.C. that has won broad support with all members of the legislature. There is consensus on the need to address many pressing issues such as reducing health-care wait times, addressing overcrowded and under-supported classrooms, taking action on climate change, tackling the opioid crisis, and delivering safe, quality, affordable child care for all. As one of my parliamentary secretaries, I expect you to build on and expand that consensus to help us better deliver new leadership for British Columbians.

As part of our commitment to true, lasting reconciliation with First Nations in British Columbia our government will be fully adopting and implementing the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), and the Calls to Action of the Truth and Reconciliation Commission. As a parliamentary secretary, you are responsible for moving forward on the calls to action and reviewing policies, programs, and legislation to determine how to bring the principles of the declaration into action in British Columbia.

In your role as Parliamentary Secretary for Translink, I expect that you will make substantive progress on the following priorities:


- Engage, on the Minister's behalf, with TransLink stakeholders and customers on issues affecting the affordability and quality of transit services, keeping in mind that government direction to Translink is provided through the government-appointed members of the Translink board;
- Monitor the Translink fare review and report to the Minister on the implications of various options under consideration for the government's goals to improve affordability, improve services and create jobs;
- Monitor the work of the Mobility Pricing Commission and report to the Minister on the implications of various options for the government's strategic goals to improve affordability, improve services and create jobs.
- Assess and report to the Minister on longer term investments in Lower Mainland transportation that may merit consideration, including expanded commuter rail, deployment of new electric power or low-emission fuel technologies and "smart city" technologies

All members are expected to review, understand and act according to the *Members Conflict of Interest Act* and to conduct themselves with the highest level of integrity. Remember, as a Parliamentary Secretary of the Crown, the way you conduct yourself will reflect not only on yourself, but on your colleagues and our government as a whole.

I look forward to working with you in the coming weeks and months ahead.

It will take dedication, hard work, and a real commitment to working for people to make it happen, but I know you're up to the challenge.

Sincerely,



John Horgan  
Premier

### 2018 B.C. BUILDING, PLUMBING AND FIRE CODES

#### ISSUE

- Changes to the BC Building, Plumbing and Fire Codes for 2018

#### RECOMMENDED RESPONSE

- **The Ministry continues to collaborate with partners on education and training materials to support implementation of the new codes.**
- **The 2018 BC Building and Plumbing Codes are based on the model 2015 National Codes with some B.C.-specific variations on accessibility, energy efficiency and mid-rise wood construction.**
- **Changes to the Codes are the result of comprehensive national and provincial review processes, and seek a balance of positive technical and social outcomes on health, safety and affordability.**

#### KEY CONSIDERATIONS

- The model National Codes are updated every five years to reflect changes in technology and industry, and the evolving societal expectations for health, safety, fire and structural protection, accessibility and energy efficiency in buildings.
- The Province reviewed and adopted over 800 changes to the model National Codes and made some B.C.-specific variations to integrate with B.C.'s previous codes, and reflect its unique climate, geography and industry.
- Key B.C.-specific variations reflect the Province's leadership in the areas of accessibility for persons with disabilities, energy efficiency (including the Energy Step Code) and mid-rise wood construction. These changes achieved a high level of support in both targeted and public consultations in early 2018.
- The Province is working with the federal government to decrease the cost of codes to B.C. residents, students and industry stakeholders.
- The Province continues to support partners such as BC Housing, the Building Officials Association of BC and others, and to participate in education efforts to ensure code users understand the changes.
- A review of safety standards for secondary suites is complete and will inform future code amendments.
- Preparation has started for the adoption of the next codes in 2022 and to help ensure positive outcomes for B.C. that are further harmonized with the model National Codes anticipated in 2020.





Ministry of  
Municipal Affairs  
and Housing

## 2019/20 Estimates Note

Honourable Selina Robinson

Date: January 30, 2019

**CONTACT:** Greg Steves, ADM, Office of Housing and Construction Standards, 250 361-7145

## ACCESSIBLE PARKING REQUIREMENTS

### ISSUE

- Regulatory Changes to Accessible Parking Requirements

### RECOMMENDED RESPONSE

- **Outdated accessible parking requirements were removed from the 2018 BC Building Code, resolving the regulatory overlap between the Building Code and the *Local Government Act* and in support of harmonization with the National Building Code.**
- **Local governments have jurisdiction to regulate parking and are the most effective authority to reflect demographics, types of buildings and the specific needs of their community.**
- **The Building Code continues to provide non-enforceable technical guidance on accessible parking to promote consistency among local government bylaws.**

### KEY CONSIDERATIONS

- The *Local Government Act* provides local governments with authority to regulate off-street parking, including accessible parking requirements.
- In February 2016, the Province designated accessible parking spaces as an unrestricted matter under the *Building Act*, for which local governments could retain or establish their own requirements in bylaws.
- The regulatory overlap in 2016-2018 between the BC Building Code and the *Local Government Act* had the potential to cause confusion among stakeholders.
- In February 2018, the Building and Safety Standards Branch consulted the public and code users regarding proposed changes. Feedback indicated that the BC Building Code's historical parking requirements were insufficient and outdated.
- The Province published a bulletin on accessible parking and has non-enforceable technical guidance in the 2018 BC Building Code. Regulatory changes clarify that local governments are best suited to regulate the number of accessible parking spaces according to their community needs.
- Notable local government bylaws were established by Richmond and Nanaimo prior to the effective date of the 2018 BC Building Code on December 10, 2018.



### CLEANBC PLAN – ENERGY CODES AND STANDARDS

#### ISSUE

- To meet the Province's green house gas reduction targets, emissions from the building sector will need to be reduced by 40 per cent by 2030.

#### RECOMMENDED RESPONSE

- **The Ministry is responsible for the building regulatory aspect of the CleanBC Better Buildings commitment.**
- **Under CleanBC, future changes to the Building Code will build on the success of the voluntary BC Energy Step Code.**
- **The Province will work with stakeholders to develop a strategy for a retrofit code to improve the efficiency of existing buildings.**

#### KEY CONSIDERATIONS

- CleanBC identifies two commitments that will affect the BC Building Code:
  - **New Construction:** Increase the base BC Building Code to net-zero energy ready by 2032 through three code cycles (2022, 2027, 2032); and
  - **Existing Buildings:** Develop and adopt an energy code for alterations to existing buildings by 2024.
- Seventy per cent of buildings that will exist in 2030 are already constructed.
- Enhanced construction and renovation requirements may increase the cost of construction and renovation, albeit lower the operating costs significantly.
- Increased energy standards, along with structural improvements, will increase the durability of buildings and make homes safer and more comfortable for residents.
- CleanBC will increase the capacity of B.C.-based industries, attract investment, generate consumer confidence and help lower costs of high-performance construction over time.
- Improved energy efficiency will increase affordability for owners and renters.

**CONTACT:** Greg Steves, ADM, Office of Housing and Construction Standards, 250 361-7145

## DEFINING HOUSING AFFORDABILITY

### ISSUE

- The promise of affordable housing raises questions about how affordability is defined.

### RECOMMENDED RESPONSE

- **Canada Mortgage Housing Corporation (CMHC) has traditionally used the 30 per cent of income standard, but there is no one-size-fits-all answer. For example, higher income people can and do choose to pay more.**
- **What works for measuring an individual's circumstances does not work for setting rents in a new project, for calculating the subsidy in a rent supplement program or for student housing.**
- **Housing need exists across much of the income spectrum, so we are intent on creating a range of affordable opportunities for different groups.**

### KEY CONSIDERATIONS

- BC Housing's Building BC: Community Housing Fund program requires compliance for 60 years and has these income mix and affordability guidelines:
  - Thirty per cent of units will be targeted at those with incomes from \$70,000 to \$99,900 and rented at affordable market rents, based on CMHC average rents by unit size and community.
  - Fifty per cent of units will be rented to households with low to moderate incomes (generally \$30,000 to \$70,000) at rent geared-to-income rates (30 per cent of income).
  - Twenty per cent of units will be rented to very low-income households (below \$15,000 up to \$30,000) at income assistance rates.
- Homes created by HousingHub programs will target middle-income households, particularly families with children with incomes from \$70,000 to \$115,000.
- By contrast, the new National Housing Co-Investment Fund describes a project as affordable if just 30 per cent of units have rents less than 80 per cent of median market rents for a minimum of 20 years from occupancy.



Ministry of  
Municipal Affairs  
and Housing

## 2019/20 Estimates Note

Honourable Selina Robinson

Date: January 30, 2019

**CONTACT:** Greg Steves, ADM, Office of Housing and Construction Standards, 250 361-7145

# RESPONDING TO HOMELESSNESS AND PUBLIC ENCAMPMENTS

## ISSUE

- Increasing homelessness and public encampments

## RECOMMENDED RESPONSE

- **Homelessness and public encampments demonstrate the severity of the housing crisis across the province and its impact on people of all ages.**
- **Our government understands the urgency of this issue, which is why we took immediate action through our Rapid Response to Homelessness modular supportive housing program.**
- **We are also creating thousands of new affordable homes through our \$7 billion investment and 30-Point-Plan.**
- **The Honourable Shane Simpson, Minister of Social Development and Poverty Reduction, will lead the implementation of the Homelessness Action Plan, developed in partnership with my ministry.**
- **The Plan takes a coordinated approach to prevent and respond to homelessness and encampments quickly, and to get people the supports they need to move on with their lives.**

## KEY CONSIDERATIONS

- **Homeless Count:** The first B.C.-wide homeless count in 2018 showed more than 7,600 people without shelter on a given night – likely an undercount. Indigenous people had significantly high numbers in some communities.
- **Housing:** The Rapid Response to Homelessness modular housing program is fully subscribed at more than 2,000 units in 22 communities. More than 700 people have already moved in who were homeless or at risk of homelessness.
- **Housing:** The Building BC: Supportive Housing Fund will invest \$1.2 billion over 10 years to build 2,500 units of supportive housing in partnership with non-profits.



## 2019/20 Estimates Note

Honourable Selina Robinson

Date: February 1, 2019

- **Homelessness Action Plan:** The Ministry of Social Development and Poverty Reduction will implement the Homelessness Action Plan in coordination with the Ministry of Municipal Affairs and Housing (MAH) and BC Housing. MAH will maintain oversight over BC Housing, and continue to fund housing and support services.

**CONTACT:** Greg Steves, ADM, Office of Housing and Construction Standards, 250 361-7145



# PROGRESS TOWARD IMPLEMENTING THE 30-POINT AFFORDABLE HOUSING PLAN

## ISSUE

- Demonstrating measurable progress toward implementing government's 30-Point Affordable Housing Plan to address British Columbia's housing crisis.

## RECOMMENDED RESPONSE

- **The Province has completed 15 of the Plan's 30 initiatives, eleven of which are Ministry of Finance policies to curb speculative demand, reduce tax evasion, address tax fairness and close real estate loopholes.**
- **Two more initiatives were completed through expanding the Rental Assistance Program and the Shelter Aid for Elderly Renters program benefits in September 2018.**
- **Another completed initiative empowers homeowners in stratas to deal with short-term rentals.**
- **The 15th completed task is the establishment of the HousingHub to forge partnerships to increase the supply of affordable housing for middle-income earners.**
- **The remainder are well underway, including stronger protections for renters and improved security for renters and landlords.**
- **Of the targeted 36,700 provincially funded housing units over 10 years, 18,901 are completed, under construction, initiated, or proposed. Completions will take time due to the length of procurement and construction.**

## KEY CONSIDERATIONS

- Businesses have had difficulty finding workers and mobility is constrained because vacancy rates are at historic lows and housing is too expensive. The 30-Point Plan is addressing these challenges.
- House prices are just now beginning to stabilize or decline. Improved security for renters will be addressed as decisions are made on the recommendations of the Rental Housing Task Force.



Ministry of  
Municipal Affairs  
and Housing

## 2019/20 Estimates Note

Honourable Selina Robinson

Date: February 6, 2019

**Attachment:** Appendix 1 – 30-Point Plan Progress Summary (as of April 17, 2019)

**CONTACT:** Greg Steves, ADM, Office of Housing and Constructions Standards, 250 361-7145

**APPENDIX I: 30-Point Plan Progress Summary (as of January 22, 2019)**

30-POINT PLAN ACTION	MINISTRY	STATUS	SUMMARY
<b>STABILIZING THE MARKET</b>			
1. Taxing speculators who are driving up housing costs	FIN	<b>Complete</b>	Legislation passed November 2018. Effective: January 2019 for 2018 and future tax years.
2. Increasing foreign buyers tax rate to 20%	FIN	<b>Complete</b>	Completed in Budget 2018. Effective Feb 21, 2018.
3. Expanding the foreign buyers tax to areas outside Metro Vancouver	FIN	<b>Complete</b>	Completed in Budget 2018. Effective Feb 21, 2018.
4. Increasing the property transfer tax on value of homes over \$3 million	FIN	<b>Complete</b>	Completed in Budget 2018. Effective Feb 21, 2018.
5. Increasing the school tax rate on the value of homes over \$3 million	FIN	<b>Complete</b>	Completed in Budget 2018. Effective Feb 21, 2018 for January 2019 and future tax years.
6. Allowing online accommodation providers to apply provincial sales tax and municipal and regional district tax on short-term rentals	FIN	<b>Complete</b>	Effective October 1, 2018.
7. Reviewing the Homeowner Grant to provide fairness for renters	FIN	In progress	Policy analysis ongoing.
<b>CRACKING DOWN ON TAX FRAUD AND CLOSING LOOPHOLES</b>			
8. Moving to stop tax evasion in pre-sale condo reassignments	FIN	<b>Complete</b>	Regulations introduced November 2018. Effective January 1, 2019. Online register to launch February 2019 (TBC).
9. Taking action to end hidden ownership, including a new beneficial ownership registry	FIN	In progress	Leg in Spring 2019; beneficial ownership registry; Registration of beneficial owners of land fully implemented by 2020.
10. Strengthening provincial auditing and enforcement powers	FIN	<b>Complete</b>	Completed in Budget 2018. Amended HOGA, LTDA, and ITA for information sharing and amended PTTA to expand GAAR, extend the limitation period to 6 years, add administrative penalties.
11. Moving to close property tax loopholes on the Agricultural Land Reserve	FIN	In progress	Policy analysis ongoing.
12. Expanding information collection and information sharing with the federal government to prevent tax evasion	FIN	In progress	Collecting SIN on rural Homeowner Grants and speculation and vacancy tax in 2019.
13. Seeking permanent provincial-federal action to combat money laundering, tax evasion, and avoidance	FIN	<b>Complete</b>	A federal-provincial working group has been established.

30-POINT PLAN ACTION	MINISTRY	STATUS	SUMMARY
<b>BUILDING THE HOMES PEOPLE NEED</b>			
14. Making a \$6 billion-plus investment in affordable housing	MAH/BCH	In Progress	Budget 2017 Update and Budget 2018 allocated more than \$6 billion over 10 years that will result in a target of 36,700 units of affordable housing, as noted in items #15-#20 below.
15. Building rental units for the missing middle – more than 14,000 units for individuals, working families, and seniors	MAH/BCH	In progress	4902 units announced on November 13, 2018 through the new <i>Community Housing Fund</i> . This includes 72 projects in 42 communities and in addition to the 1700 units of affordable housing announced in the Budget 2017 Update.
16. Housing for women and children affected by violence	MAH/BCH	In progress	283 of 1500 total units were announced on October 25, 2018 through the new <i>Women's Transition Housing Fund</i> and will proceed in 12 communities over the next three years.
17. Working with universities, institutes, and colleges to build new student housing	MAH/AEST	In progress	2,295 units of the 8,000 unit target have been announced to date. This includes 1,165 of the 5,000 government funded unit target and 1,130 of the 3,000 unit target funded by public post-secondary institutions.
18. Fixing existing projects with an eye to ensuring affordability for British Columbians	MAH/BCH	In progress	As of December 31, 2018, grants have been provided to deepen affordability of 1258 units under construction in 2017 out of a target of 4900 units.
19. Partnering with Indigenous communities to invest \$548 million over 10 years in social housing	MAH/BCH	In progress	1,143 of 1750 total units announced on November 24, 2018 through the <i>Indigenous Housing Fund</i> .
20. Building 2500 new supportive homes for people struggling with homelessness	MAH/BCH	In progress	As of December 31, 2018, over 250 <i>Supportive Housing Fund</i> units are complete or under construction. The most recent intake of proposals will be announced in early 2019. This is in addition to the 2064 modular housing to be completed by Summer 2019, which were part of the Budget 2017 Update.

30-POINT PLAN ACTION	MINISTRY	STATUS	SUMMARY
<b>SECURITY FOR RENTERS</b>			
21. Expanding and increasing benefits to seniors living independently	MAH	<b>Complete</b>	Expanded benefits came into effect September 1, 2018 through the Shelter Aid for Elderly Renters (SAFER) program.
22. Expanding and increasing the Rental Assistance Program to help working parents	MAH	<b>Complete</b>	Expanded benefits came into effect September 1, 2018.
23. Strengthening protections for renters and manufactured home owners	MAH/BCH	In progress	<p>Changes to the <i>Residential Tenancy Act</i> came into force May 17, 2018 to improve security for tenants facing eviction.</p> <p>Changes to the <i>Manufactured Home Park Tenancy Act</i> came into force June 6, 2018 to improve compensation for tenants when manufactured home parks close.</p> <p>The annual allowable rent increase that takes effect in 2019 was cut to 2 percent, limiting it to inflation. This change was an early recommendation from the Rental Housing Task Force.</p> <p>Rental Housing Task Force recommendations provided to government on December 12, 2018. The recommendations are now under consideration</p>
24. Extending the life, quality and affordability of existing affordable housing	MAH/BCH	In progress	\$1.1 billion dedicated for the Capital Renewal Funding (repairs and rehabilitation of existing housing stock). As of December 12, 2018, \$134.46 million has been committed toward 205 projects.

30-POINT PLAN ACTION	MINISTRY	STATUS	SUMMARY
<b>SUPPORTING PARTNERS TO BUILD AND PRESERVE AFFORDABLE HOUSING</b>			
25. HousingHub: Building, Partnerships Building Homes	MAH/BCH	<b>Complete</b>	The HousingHub is a new unit at BC Housing that works with a range of potential proponents to establish partnerships and identify viable affordable housing projects to help reach the 114,000-unit target. It provides development expertise and low-cost construction financing to encourage more market rental and owner-occupied affordable housing for the missing middle. The HousingHub is currently finalizing three projects in three different communities.
26. Empowering Local Governments	MAH	In progress	<p>Housing Needs Reports and Rental Zoning legislation received Royal Assent May 2018. Regulations by OIC Spring 2019.</p> <p>The intent of the residential rental tenure zoning amendments is to give local governments greater ability to preserve and increase the overall supply of rental housing in their communities and increase housing choice and affordability.</p> <p>The intent of the Housing Needs Reports is to strengthen the ability of local governments to understand what kinds of housing are most needed in their communities. They will help ensure that local policies, plans and development decisions that relate to housing are based on recent evidence and responsive to current and future needs.</p>
27. Expanding use of municipal and regional district tax revenues for affordable housing	FIN	<b>Complete</b>	Completed in Budget 2018 by OIC. Effective October 1, 2018.
28. Encouraging more rentals via property tax exemptions	FIN	<b>Complete</b>	Completed in Budget 2018. Effective Feb 21, 2018.
29. Empowering homeowners in stratas to deal with short-term rentals	MAH	<b>Complete</b>	On July 18, 2018, the Strata Property Regulation was amended by OIC to allow strata corporations to impose a fine of up to \$1,000 a day. The increased fine came into effect on November 20, 2018 and only applies to short-term rental bylaws. This new measure is expected to release more units into the longer-term rental market.

30-POINT PLAN ACTION	MINISTRY	STATUS	SUMMARY
30. Expanding transit and building communities	MAH	In progress	Funding for Broadway Line from VCC-Clark to Arbutus and for Surrey LRT approved by government in Spring 2018. Agreements to facilitate affordable housing and density have been developed to assist in reaching 114,000-unit target. The Surrey project is under review due to election of new municipal council.

## NEW SUPPLY – GETTING TO 114,000 UNITS

### ISSUE

- The current status of the government's commitment to building 114,000 units of affordable housing.

### RECOMMENDED RESPONSE

- **This is the biggest investment in housing in B.C. history – approximately \$7 billion over the next 10 years.**
- **With *Budget 2017 Update* and *Budget 2018*, we are moving ahead to directly fund investments in 36,700 new units of housing over that 10-year period, from rentals at or below market, to supportive housing for key groups, to student housing.**
- **The remaining 77,000 new units of housing will be market driven through initiatives like the new HousingHub that will work with community partners; by enabling local government to pursue rental-only zoning in their municipalities; and through encouraging increased density along new rapid transit lines.**
- **Budget 2019 includes the first steps towards the Homelessness Action Plan which includes funding to build and operate an additional 200 units of supportive housing for individuals experiencing homelessness and increase temporary shelter space.**

### KEY CONSIDERATIONS

- *Budget 2017 Update* housing units:
  - Started majority of 2,000 new units of modular housing in 10 communities for the homeless, which are to be completed in Summer 2019; construct 1,700 new affordable rental homes.
- *Budget 2018* housing units:
  - 4,900 units from pre-2017 programs with increased funding to deepen affordability for units that would have been much less viable.
  - 14,350 rental units for the missing middle at or just below market rates.
  - 1,750 homes built in partnerships with Indigenous groups.





## Appendix 1 – Building B.C. Update (December 31, 2018)

Budget 2017 Update and Budget 2018 Programs + PSI Self-Funded		Target # Units	Project Development Phase as at December 31, 2018			
			Complete	Under Construction	Initiated*	Other Proposed*
1	Affordable Rental Housing	1,700	71	323	s.13; s.17	
2	Rapid Response to Homelessness	2,000	718	1,017		
3	Deepening Affordability	4,900	-	1,015		
4	Community Housing Fund	14,350	-	-		
5	Supportive Housing Fund	2,500	256	2		
6	Women's Transition Housing Fund	1,500	10	10		
7	Indigenous Housing Fund	1,750	-	-		
8	Student Housing	5,000	-	533		
9	Student Housing – Self Funded	3,000	-	1,130		
<b>Total – Dec 31, 2018</b>		<b>36,700</b>	<b>1,055</b>	<b>4,030</b>		
<b>Total – Oct 31, 2018</b>			<b>681</b>	<b>3,063</b>		
HousingHub**		N/A	-	-		

\* **Initiated** – project has been approved by BC Housing and is in the design/permitting/pre-construction phase; s.13; s.17

\*\***Housing Hub**: Initiated - 40 market rental units in Squamish, 58 affordable homeownership units in North Vancouver; Proposed - 158 rental units in Kelowna & 429 owner units in Surrey (United Church projects included in the Community Housing Fund)

## BUDGET 2019 HOUSING STARTS FORECAST

## ISSUE

- Potential criticism of the *Budget 2019* housing starts forecast.

## RECOMMENDED RESPONSE

- The declining *Budget 2019* housing starts forecast is in line with a reversion to the long-term historical annual average for B.C.
- Relative to long-term averages, 2016 through 2018 were outlier years, with record-level housing starts mostly concentrated in B.C.'s major urban centres and driven by developers capitalizing upon rapidly escalating housing prices, which have since moderated.
- From 2016 through 2018, rental housing starts also reached record levels dating back to 1990, which is a positive development.
- In the fourth quarter of 2018, the Canadian Mortgage and Housing Corporation reported 58,581 units currently under construction<sup>1</sup> across B.C, which is more than double the long-run average of roughly 26,500 units.

## KEY CONSIDERATIONS

- *Budget 2019* forecasts housing starts of 34,000 units in 2019, 31,800 units in 2020, and 30,500 units annually, down from levels in excess of 40,000 units in 2017 and 2018.
- The long-run average of housing starts from 1990 through 2018 was approximately 27,000 units with an average of about 29,000 units for the last 10 years.
- Rental units represented roughly 25 per cent of total housing starts in B.C. between 2016 through 2018, which is more than double the long-run average of 10 per cent.
- Housing starts from 2016 through 2018 were concentrated mostly in the Vancouver Census Metropolitan Area, averaging about 65 per cent of total housing starts in B.C.

<sup>1</sup> Note that this is a different indicator than housing starts.



## 2019/20 Estimates Note

Honourable Selina Robinson

February 25, 2019

- Given recent moderation in housing prices and the sizeable number of units currently under construction, it is understandable that housing starts should trend toward their historical long-run averages.

**CONTACT:** Greg Steves, ADM, Office of Housing and Construction Standards, 250 361-7145

### NEW PROTECTIONS FOR RENTERS – OVERVIEW

#### ISSUE

- Government has made a number of changes to protect renters in British Columbia.

#### RECOMMENDED RESPONSE

- **Since forming government, we have taken a number of important steps to improve protections for the 1.5 million renters in B.C. This includes:**
  - **Changes to tenancy laws to ensure that landlords can no longer take advantage of tenants using a fixed term tenancy agreement with a vacate clause.**
  - **Removing provisions that allowed landlords to apply for additional rent increases based on other units in the same geographic area.**
  - **Greater protections for tenants being evicted for renovation or demolition.**
  - **New compensation to manufactured home owners when a park is closed.**
- **This is in addition to new funding for the Residential Tenancy Branch of \$6.8 million over three years to increase staff resources and reduce wait times.**
- **These changes are a good start but there is more to be done.**
- **The Rental Housing Task Force has completed their final report and presented their 23 recommendations to government.**
- **The recommendations are under review and we will continue to find a balance between the needs of renters for safe, secure and affordable housing while allowing landlords the ability to invest in their properties and provide needed housing.**

## 2019/20 Estimates Note

Honourable Selina Robinson

Date: February 21, 2019

- **Our goal is to continue to find a balance between the needs of renters for safe, secure and affordable housing while allowing landlords the ability to invest in their properties and provide needed housing.**
- **We will continue to engage with landlords and tenants as these initiatives move forward.**

### KEY CONSIDERATIONS

- On September 26, 2018, the provincial government accepted the Task Force's early recommendation, announcing a cut to the 2019 rental increase cap from 4.5 per cent to 2.5 per cent, reflecting the Consumer Price Index only.
- Government also accepted the Task Force's recommendation to allow additional modest rent increases in cases where renovations and repairs to rental units have been completed.
- We are reviewing the 23 recommendations to determine impact, priority and a timeline for implementation.
- Many of the recommendations require additional policy work, potential legislative and regulatory changes and resources before they can be implemented. In addition, several of the recommendations require coordination and input from other government Ministries including Finance, Attorney General and local governments/municipalities.

**CONTACT:** Greg Steves, ADM, Office of Housing and Construction Standards, 250 361-7145

## RESIDENTIAL TENANCY BRANCH STATISTICS

### ISSUE

- Wait times for dispute resolution and information services.

### RECOMMENDED RESPONSE

- **The Residential Tenancy Branch received approximately 20,000 applications for dispute resolution and almost 275, 000 phone calls in 2018.**
- **Applications for dispute resolution are prioritized so that emergency issues, such as the possession of a rental unit or emergency repairs, are heard first.**
- **The new resources to the Branch have directly improved service delivery, both shortening wait times for dispute resolution and information services.**
- **The Province is also developing new technology and processes that will enable residential tenancy disputes to be resolved faster and more efficiently.**

### KEY CONSIDERATIONS

- Wait times for urgent and monetary hearings have decreased in 2018.
- Wait times are now approximately:
  - Four weeks to hear emergency disputes (from over 6.5 weeks)
  - Six weeks to hear urgent disputes (from over 8 weeks)
  - Twelve weeks to hear monetary disputes (from over 25 weeks)
- Call center wait times are averaging 5 minutes, well below the 20-minute service standard.
- Call volumes are at 58,000 and call abandonment rate is at 8 per cent, well below the service standard of 10 per cent (as of Q3).

**CONTACT:** Greg Steves, ADM, Office of Housing and Construction Standards 250 361-7145





Honourable Selina Robinson

Date: February 19, 2019

- **This new strategy builds upon the 4,500 units of modular and supportive housing commitments in *Budget 2017 Update* and *Budget 2018*.**

## KEY CONSIDERATIONS

### Financial Summary:

- A financial summary of the new Budget 2019 initiatives is provided below:

(in \$ millions)	2019/20	2020/21	2021/22	Total
Encampment Strategy - Interim Housing (100 Modulares + Land)	s.17			
Encampment Strategy - Permanent Housing (100 Modulares + Land)				
<b>Total</b>				

### Preserving Existing Affordable Housing:

- *Budget 2019* confirms the previous Budget 2018 allocation of \$351 million over three years to support essential building repairs and maintenance, critical life safety, seismic and fire safety and energy performance upgrades for existing units of social housing owned by government through the Provincial Rental Housing Corporation (PRHC), or by non-profit housing providers.

### New Affordable Housing Supply:

- *Budget 2019* confirms years two through four of funding for government's 10-year commitment towards the construction of 28,700 units of affordable housing announced in *Budget 2017 Update* and *Budget 2018*, with the breakdowns provided below
- Through the new Community Housing Fund program, 14,350 new affordable rental housing units are being created for families and seniors struggling to find affordable rental housing in their communities. The Community Housing Fund will include mixed use developments to be targeted towards the "missing middle".
- In addition, funding for the construction and ongoing operating and support services for 2,000 units through the Rapid Response to Homelessness, 1,700 units through the Affordable Rental Housing program, 2,500 units through the Supportive Housing Fund, 1,500 units through the Women's Transition Housing Fund and 1,750 units through the Indigenous Housing Fund is also being confirmed.
- These units will count towards government's commitment to build 114,000 new homes over ten years.



## 2019/20 Estimates Note

Honourable Selina Robinson

Date: February 19, 2019

- \$75 million of was also provided in *Budget 2018* to deepen the affordability of projects in development or under construction where rising interest rates and cost pressures were threatening their affordability. This will be fully allocated by March 31, 2019.

## 2019/20 Estimates Note

Honourable Selina Robinson

Date: February 19, 2019

- The table below summarizes new units that were initiated since Budget 2017 Update:

Budget 2017 Update and Budget 2018 Programs	Target # Units	Project Development Phase as of December 31, 2018				
		Complete	Under Construction	Initiated	Other Proposed	Total
Affordable Rental Housing (ARH)	1,700	71	323	s.13; s.17		
Rapid Response to Homelessness (RRH)	2,000	718	1,017			
Deepening Affordability	4,900	-	1,015			
Community Housing Fund (CHF)	14,350	-	-			
Supportive Housing Fund (SHF)	2,500	256	2			
Women's Transition Housing Fund (WTHF)	1,500	10	10			
Indigenous Housing Fund (IHF)	1,750	-	-			
<b>Student Housing</b>						
Student Housing (AEST)	5,000	-	533			
Student Housing – Self Funded (UBC/SFU)	3,000	-	1,130			
<b>Total</b>	<b>36,700</b>	<b>1,055</b>	<b>4,030</b>			
HousingHub	N/A	-	-			



## 2019/20 Estimates Note

Honourable Selina Robinson

Date: February 19, 2019

### Enhancements to Rent Assistance Programs:

- Budget 2019 also confirms *Budget 2018's* \$139 million over three years (\$46 million annual increase vs. *Budget 2017 Update*) for the expanded eligibility and increased benefits of rental assistance programs under the Rental Assistance Program and Shelter Aid for Elderly Renters Program.
- Under the Rental Assistance Program, the maximum gross household income has been increased from \$35,000 to \$40,000.
- The maximum rental ceiling for both the Rental Assistance Program and the Shelter Aid for Elderly Renters program were increased as part of the enhancements. A third rent zone was also created.
- These program enhancements began September 1, 2018.

**CONTACT:** Shayne Ramsay, CEO, BC Housing, 604 970-1605

Honourable Selina Robinson

Date: February 7, 2019

## HousingHub

### ISSUE

- HousingHub update

### RECOMMENDED RESPONSE

- **Safe, affordable housing is critical to affordability and our overall quality of life, yet it has become the single-biggest challenge affecting British Columbians today.**
- **The Province cannot build its way out of the housing crisis on its own. That is why we are bringing together partners from all levels of government, Indigenous organizations, non-profits and the private sector to build the right supply together.**
- **Our Homes for B.C.: 30-Point Plan for Housing and Budget 2018 included the establishment of a new office to promote, facilitate and coordinate housing partnerships.**
- **HousingHub was established in the past year and is currently in discussions with developers, municipalities, non-profit groups and faith-based groups on potential projects across the province. Projects are in the preliminary stages and will be announced as they move forward.**
- **HousingHub is our commitment to ensuring middle-income British Columbians, who have been priced out of housing in communities across the province, will have access to affordable market rental and owner purchased homes.**
- **By increasing the affordable housing stock throughout the province, we will also free up other housing options along the housing spectrum.**

### KEY CONSIDERATIONS

- HousingHub was established in 2018 to seek innovative partnerships to create affordable rental housing and homeownership options for middle-income British Columbians.

## 2019/20 Estimates Note

Honourable Selina Robinson

Date: February 7, 2019

- Partners may include the non-profit sector, faith groups, for-profit builders, all levels of government and others to find and develop or redevelop available land and buildings, creating affordable homes.
- It will also work with new investment sources, such as pension fund and social impact investors to find the best financing solutions for local projects and local people.

### HousingHub Programs

Two affordable housing programs are being delivered through HousingHub:

#### 1. Provincial Rental Supply Program

- The program aims to increase the supply of rental housing for middle-income households. Developments must be able to operate without any ongoing operating subsidies or other funding from BC Housing. All units will be rented at or below market.
- Partner contributions may include capital funding, land or other equity contributions.
- BC Housing may provide low-cost interim construction financing for the development of rental housing geared toward middle-income households. BC Housing may also help eligible non-profit housing partners obtain take-out financing.
- For example, HousingHub is working with developers to create rental housing for middle-income households, including 148 units in Kelowna, 40 units in Squamish, 229 units in Port Moody and 48 units in Colwood.

#### 2. Affordable Home Ownership Program (AHOP)

- The program will support the development of new, affordable homes for eligible home buyers.
- HousingHub targets to produce homes for sale at 10 per cent to 20 per cent below market value. This will be possible using BC Housing's low-interest interim construction financing and contributions from project partners to create savings in each project.
- For example, HousingHub is working with a developer to create 429 units of affordable home ownership in Surrey and 17 units in North Vancouver.

**CONTACT:** Shayne Ramsay, CEO, BC Housing, 604 970-1605

## HOMELESSNESS ACTION PLAN

### ISSUE

- Homelessness Action Plan to be released.

### RECOMMENDED RESPONSE

- ***Budget 2019* includes first steps towards the Homelessness Action Plan.**
- **The Homelessness Action Plan takes a strategic and coordinated approach to prevent and reduce homelessness.**
  - **We are investing \$53.6 million to build 200 new units of supportive housing with 24/7 support services.**
  - **Close to \$11.2 million is being invested into additional shelter spaces and to implement encampment prevention, engagement and management strategies**
  - **And \$0.9 million is being invested to conduct a second provincial-wide homeless count in Spring 2020.**

### KEY CONSIDERATIONS

- BC Housing and the Ministry of Municipal Affairs and Housing are playing a significant role in supporting the implementation and long-term development of the plan, which is being led by the Ministry of Social Development and Poverty Reduction.
- The Homelessness Action Plan builds on Government's housing affordability actions. It is part of the Poverty Reduction Strategy, aligns with the Mental Health and Addictions Strategy, and also supports the 30-Point Plan for Housing Affordability announced in Budget 2018 by addressing the most vulnerable in housing need.
- The Homelessness Action Plan will target root causes and pathways to homelessness, including interventions to prevent chronic homelessness and to keep people stably housed. At a program level (see Table 1 on the next page), BC Housing's role includes the provision of interim and permanent housing with 24/7 support services, as well as other encampment prevention and engagement responses and actions in partnership in communities.



## 2019/20 Estimates Note

Honourable Selina Robinson

Date: February 19, 2019

**Table 1: 2019/20 Homeless Action Plan Program Funding**

	Units	Capital Funding	Operating Funding
Interim and Permanent Supportive Housing	200	\$52.1M	\$1.5M
Shelters	200 spaces	\$1.4M	\$5.6M
Encampment Prevention, Engagement and Management	-	-	\$4.2M
2020 Homeless Count	-	-	\$0.9M
<b>Total</b>	<b>400</b>	<b>\$53.5M</b>	<b>\$12.2M</b>

**CONTACT:** Shayne Ramsay, CEO, BC Housing, 604 970-1605



### RENT ASSISTANCE IN THE PRIVATE MARKET – SENIORS AND FAMILIES

#### ISSUE

- Enhancements to rent assistance programs

#### RECOMMENDED RESPONSE

- Enhancements to rent assistance programs came into effect on September 1, 2018.
- This is a result of expanding the eligibility requirements and increasing benefits under the Rental Assistance Program and Shelter Aid for Elderly Renters program.
- Enhancements to both programs included increasing the maximum rent ceiling and adding a third rental zone.
- As a result of these changes, over 3,200 new households are expected to be eligible for rental assistance and over 32,000 existing low-income seniors and working families will see their benefits increase.
- Under the Rental Assistance Program, the maximum gross household income increased from \$35,000 to \$40,000 and the average monthly subsidy increased by approximately \$42, from \$401 to \$443.
- The Shelter Aid for Elderly Renters program enhancement increased the average monthly subsidy by \$30, from \$188 to \$218.

#### KEY CONSIDERATIONS

##### Rental Assistance Program

- The Rental Assistance Program (RAP) is aimed at helping working families earning less than \$40,000 a year with cash assistance to help with their monthly rent payments in the private market.
- Families are reimbursed part of the difference between 30 per cent of their total income and their monthly rent, based on a sliding scale that gives more money to those with the least income.





Honourable Selina Robinson

## Community Gaming Grants – Capital Projects Sector

- As part of Budget 2017, Treasury Board approved a \$5 million base budget lift starting in 2017/18 to support a new capital component of the Community Gaming Grants program. This brought the total program budget to \$140 million.

- The Ministry successfully delivered the Capital Project Grant Program in 2017/18 and 2018/19.
- Applications were competitively assessed against the published eligibility criteria by professional public servants in the Community Gaming Grants Branch.
- In November 2018, 57 projects were funded representing all regions of B.C. and all six community gaming grant sectors.
- Seven per cent of funding was distributed to Indigenous not-for-profit organizations.
- In March 2019, 31 additional capital projects were able to be funded.
- Program information for the 2019/20 intake will be published in the Spring of 2019.
- The sector intake period will open June 1 and close July 31, 2019.

- In February 2017, government announced that an additional \$5 million in funding for capital projects was allocated to the Community Gaming Grants program.
- Staff developed detailed assessment criteria with input from other areas of government and key stakeholders such as the B.C. Association of Aboriginal Friendship Centres and the B.C. Association for Charitable Gaming.
- The Capital Projects Sector Guide was published in April 2018, providing information on eligibility, the application process, the assessment criteria and the appropriate use of funds.
- The Community Gaming Grants Branch hosted an informational webinar on May 23, 2018, and the session was attended by 500 not-for-profit organizations from



## 2019/20 Estimates Note

Honourable Selina Robinson

Date: March 22, 2019

across B.C. Approximately 285 questions were asked and answered during the webinar.

- Eligible not-for-profit organizations were approved for between 20 to 50 per cent of the total cost of a project, to a maximum of \$250,000. Applicants were required to have matching funds. Projects had a total cost of more than \$20,000.
- The project categories included the construction of new facilities and renovation of existing facilities; development of public amenities; and purchase of fixed capital assets. All projects were primarily for community benefit and accessible to the public.
- Additional considerations were made to include regional distribution, sector distribution, project size and Indigenous inclusion.
- In November 2018, 57 projects were funded for a total expenditure of \$5.2 million.
- In March 2019, an additional 31 projects were funded for a total of just under \$3.1 million.
- There were 226 applications with the total requested funding of \$21.9 million.

**CONTACT:** David Curtis, ADM, Community Gaming Grants Branch, 778-698-5845



# 2019/20 Estimates Note

Honourable Selina Robinson

Date: March 22, 2019

## KEY CONSIDERATIONS

Sector	Expenditure* (Fiscal 2018/19)	Intake Period (2018)
Arts & Culture	\$18.2M	Feb 1 – April 30
Sport	\$28.1M	Mar 1 – May 31
Parent Advisory Councils	\$14.2M	Apr 1 – Jun 30
Environment	\$3.9M	Jul 1 – Aug 31
Public Safety	\$6.9M	Jul 1 – Aug 31
Human & Social Services	\$60.4M	Aug 1 – Nov 30
Capital Projects	\$8.3M	Jun 1 – Jul 31

\*Please note: actual expenditure is based on internal tracking. Reconciled data is not yet available.

- Notional allocations for fiscal 2019/20 are currently being calculated based on a review of funding trends and demand in 2018/19.
- Community Gaming Grants (CGG) funding level history:
  - 2008/09 pre-economic recession funding was \$156 million.
  - 2009/10, CGG funding was reduced to \$112.5 million.
  - In March 2011, the funding level was increased to \$135 million.
  - In 2017/18 – CGG program funding increased to \$140 million. The \$5 million increase remains dedicated to funding Capital Projects.
- Throughout the 2018/19 year the Branch provided funding increases to eligible applicants within the program funding parameters and in September 2018 a \$4 increase per student was provided to Parent Advisory Councils, resulting in an increase of \$2.3 million across the sector.
- In 2018/19 there was a \$3.1 million year-end program surplus that was allocated to additional capital projects.



Honourable Selina Robinson

Date: March 22, 2019

## NOTEWORTHY INITIATIVES

- The OAG report on Community Gaming Grants released in December 2016 recommended that the Ministry develop a performance management framework and publicly report on the program's funding model, funding levels and benefit to communities.
- Work on these final two OAG recommendations – implementation of a performance reporting framework and improved public reporting – s.13 s.13
- In March 2018 a BC Stats survey was sent to of 11,500 B.C. not-for-profit organizations. 3,656 survey responses were received. The findings provided the Ministry with baseline data on a wide range of topics on the Community Gaming Grants program.
- New, user-friendly program guidelines were published in January 2019, reflecting a renewed focus on customer service. These will apply to Community Gaming Grant applications received in 2019 and going forward.
- To streamline the application process in 2019/2020, organizations no longer need to submit multi-year organization and program budgets and or the 'Out-Of-Province Travel' permission form.
- The Community Gaming Grants Branch will continue to provide outreach to applicants in the form of informational presentations across the province in 2019.

## ADDITIONAL ISSUES

- A new revenue-sharing agreement between B.C. and First Nations communities was announced in *Budget 2019*.
- The new gaming revenue-sharing arrangement will not change the amount of funding that currently goes to B.C.'s not-for-profit sector through the Community Gaming Grants program.

**CONTACT:** David Curtis, ADM, Community Gaming Grants Branch, 778-698-5845



### 2019 ASSESSMENT ROLL INQUIRY AND COMPLAINT STATISTICS

#### ISSUE

- Inquiry and Complaint Statistics – as tracked by BC Assessment (BCAA)

#### RECOMMENDED RESPONSE

- **BC Assessment addressed 45,442 property assessment inquiries between January 2, 2019, and February 5, 2019, of which almost 35,000 were conducted by telephone and approximately 7,300 were by email. The 2019 total inquiry figure is 3.4 per cent higher than the 2018 total.**
- **In 2019, there were 31,465 property assessment folios appealed throughout the Province representing a 22.5 increase in appeal volume compared to 2018. The 2019 appeal numbers are similar to the amount that was filed in 2011.**
- **Of the public property assessment complaints filed, 18,551 are residential and strata residential properties and 13,742 represent non-residential properties. Overall, just over 1.5% of all folios in the Province have been appealed for 2019.**
- **With the continued strength in the housing market in some areas of the province, assessments continue to increase in many areas but, an increase in one's property assessment does not necessarily result in an increase in property taxes.**
- **Tax rates are set by local taxing jurisdictions according to property class, and this rate is what ultimately determines whether taxes will go up.**
- **Any person who is not satisfied with the assessment of a property can ask for a review (inquiry) of the assessment by BC Assessment. If after the inquiry, issues are not resolved, one can file a complaint to the Property Assessment Review Panel (PARP).**





Honourable Selina Robinson

Date: March 19, 2019

## KEY CONSIDERATIONS

- Many inquiries are resolved through discussions with BC Assessment staff. Not all inquiries result in formal complaints (appeals). Not all property assessment complaint that are filed will result in a hearing before PARP as the onus is on the complainant to schedule a hearing time after receiving a Notice of Hearing.
- Inquiries and complaints fluctuate annually, and are usually dependent on the stability of the market conditions (e.g., an active or volatile market usually results in more inquiries/complaints). Additional factors such as the Additional School Tax or other legislative initiatives can result in an increase in property assessment complaints due to their resulting impact on property taxation.
- Submission of property assessment complaints is mostly through the online appeal form with others coming in by email, fax, post or at the counter.
- The 2019 assessment roll represents 2.067 million properties with a total real estate value of \$1.99 trillion. This represents an increase in value of 7.45 per cent over 2018. New construction, subdivisions and rezoning were valued at \$31.68 billion; a slight increase over 2018.
- The purpose of the assessment roll is to provide a stable base for local governments and taxing authorities in BC to raise approximately \$7.9 billion in property taxes for schools and important local services.
- BC Assessment determines a property's market value and classification and sends the owner(s) a Property Assessment Notice in early January. Taxing authorities establish the property tax rate, apply it to the assessed value and send the owner a tax notice in June.
- BC Assessment distributed 2.3 million Property Assessment Notices to property owners in early January 2019. If an owner or other person is not satisfied with the assessment of a property they can file a complaint with the assessor by January 31, 2019, and that complaint will be heard by a Property Assessment Review Panel.
- Panels begin to hear complaints in early February and all hearings must be completed and decisions made by March 15<sup>th</sup> each year.
- In 2019, compared to 2018, increases in the number of property assessment complaints filed occurred on Vancouver Island, Greater Vancouver, the Fraser Valley, the Kootenay Columbia area and in Northern BC. The number of property assessment complaints filed in all identified areas increased between 22 per cent and 27.5 per cent. The Thompson Okanagan saw a 5 per cent reduction in complaints filed.



## 2019/20 Estimates Note

Honourable Selina Robinson

Date: March 19, 2019

- Typically, around 98 per cent of property owners accept their property assessment without proceeding to the formal complaint and appeal process.

**CONTACT:** Rob Fraser, Executive Director, Community and Legislative Services Division, 778 698-3319



### BC ASSESSMENT 2019 – 2021 SERVICE PLAN

#### ISSUE

- BC Assessment 2019 – 2021 Service Plan

#### RECOMMENDED RESPONSE

- BC Assessment's (BCA's) 2019 – 2021 Service Plan aligns with Government's key priorities.
- BCA's Board approved the strategic direction focused on delivering its core mandate, moving forward as a customer-centric organization that creates value and contributes to a strong economy by enhancing assessment services.
- BCA will continue to ensure its work delivers an accurate assessment roll with current property information in a financially responsible manner.
- BCA will continue to support provincial government priorities and policy development through the use and analysis of assessment data and property information, and by leveraging BCA's expert knowledge on valuation and real estate.
- BCA's commitment to data quality continues to drive investments in data management processes and infrastructure, including replacement of the existing core operating system to improve the collection, development and distribution of assessment information, as approved by Treasury Board.

#### KEY CONSIDERATIONS

- For 2019, BCA will maintain the average 2019 tax levy on existing taxpayers at levels equivalent to 2018.
- There are no changes in the average taxes paid per property from 2018 for existing Class 1, Residential, and Class 6, Business & Other, properties,<sup>s.13</sup> There are minor differences in the average levy taxes paid per property for the other classes (non-residential and non-commercial).



Ministry of  
Municipal Affairs  
and Housing

## 2019/21 Estimates Note

Honourable Selina Robinson

Date: January 28, 2019

s.12; s.13

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**CONTACT:** Rob Fraser, Executive Director, Property Assessment Services, 778 698-3560



Honourable Selina Robinson

Date: February 7, 2019

## BC FERRY SERVICES (BCFS) TERMINAL ASSESSMENTS

### ISSUE

- In December 2017 an OIC was passed prescribing assessed property values for 2018 for 48 BCFS terminals. The new values replace those under a five-year agreement that expired in 2017.

### RECOMMENDED RESPONSE

- **BC Assessment (BCA) and BCFS reached an agreement on a methodology for determining assessed values for the 48 terminal properties, for 2018 and future assessment years.**
- **This agreement will ensure that BCFS pays a fair share of property taxes.**
- **A regulation formalizing the agreement was enacted in December 2017, providing tax stability and certainty to impacted jurisdictions as well as BC Ferry Services.**

### KEY CONSIDERATIONS

- When BCFS appealed the 2012 property assessment for the Horseshoe Bay ferry terminal, the Property Assessment Appeal Board (PAAB) decided to attribute a nominal assessed value of \$20 to the property – \$10 for the land and \$10 for the building, which was upheld by the BC Supreme Court.
- BCA sought leave to appeal to the BC Court of Appeal. <sup>s.13</sup>  
<sup>s.13</sup> BCA and BCFS entered into a five-year agreement (2013 – 2017) that specified assessed values for 48 ferry terminal properties. On <sup>s.13</sup>  
<sup>s.13</sup> Note: The BC Court of Appeal ultimately ruled in a separate appeal to reject the nominal value approach for restricted-use properties.
- As the previous agreement expired after the 2017 roll was completed, BCFS and BCA worked to determine new values and a new valuation methodology that were prescribed via regulation under Section 20.5 of the Assessment Act in December 2017.
- The new agreement uses 2017 roll values as a base, allowing for changes in value both as a result of new construction, as well as for market movement following the property class in the respective jurisdictions.

**CONTACT:** Rob Fraser, Executive Director, Property Assessment Services, (778) 698-3560

## MANDATE LETTER AND LEVY BYLAW

### ISSUE

- Overview of BC Assessment's financial position and strategic direction

### RECOMMENDED RESPONSE

#### *Mandate Letter*

- Each year, the Minister responsible issues a Cabinet-approved Mandate Letter to BC Assessments (BCA) confirming its mandate and outlining Government's annual high level direction and priorities.
- The purpose of the Mandate Letter is to promote consistency and alignment between the Government's priorities, policy objectives and performance expectations, and BCA's corporate goals, objectives and strategies.

#### *Funding Levy*

- BCA's primary source of funding is an independent, province-wide tax levy, representing approximately 94 percent of the corporation's funding.
- Each year, the Lieutenant Governor in Council must approve the levy bylaw before final adoption by BCA's Board of Directors.
- For 2019, BCA will maintain the average 2019 tax levy on existing taxpayers at levels equivalent to 2018.
- There are no changes in the average taxes paid per property from 2018 for existing Class 1, Residential, and Class 6, Business & Other, properties,<sup>s.13</sup>  
s.13 There are minor differences in the average levy taxes paid per property for the other classes (non-residential and non-commercial).
- s.12; s.13



Honourable Selina Robinson

Date: March 14, 2019

## **.KEY CONSIDERATIONS**

- The previous Mandate Letter issued to BCA for 2018/19 directed BCA to support the ministry on emerging assessment policy and methodology issues that could impact different property types and economic sectors.
- In addition, direction was given to BCA to replace the current appraisal system with NextGen valueBC, (iasWorld) which will provide enhanced capacity of information sharing/analysis with property owners and other stakeholders; support Provincial government priorities and policy development; implement 2016 Crown Review recommendations; and, exercise fiscal responsibility and prudent management of taxpayers' dollars.
- The direction contained in the 2019/20 Mandate Letter will continue to focus on ongoing and emerging assessment issues. Specifically, BCA has been directed to:
  - Continue to focus on BC Assessment's core mandate to establish and maintain uniform real property assessments throughout British Columbia.
  - Support provincial government priorities and policy development through the use of BC Assessment data, property information and by leveraging the corporation's extensive expert knowledge on valuation and real estate.
  - Participate in the Province's review of the Open Data policy to determine opportunities for further BC Assessment information sharing.
  - Continue the replacement of BC Assessment's existing core operating system (valueBC information system) with iasWorld to improve the collection, development and distribution of assessment information as approved by Treasury Board; and
  - Support government's commitment to make life more affordable for British Columbians by delivering BC Assessment's services in a fiscally responsible manner.

**CONTACT:** Rob Fraser, Executive Director, Property Assessment Services, 778 698-3560

Honourable Selina Robinson

Date: February 13, 2019

# METRO VANCOUVER RESIDENTIAL ASSESSMENTS (2019)

## ISSUE

- Assessed values for residential properties have decreased in a range of 5 – 10% for Metro Vancouver, as reflected in the 2018 assessment roll.

## RECOMMENDED RESPONSE

- **Government is aware of concerns around how changes in the real estate market affect property assessments and the impacts of volatility in assessments on housing affordability.**
- **There is also a larger, government-wide effort underway to identify potential housing affordability strategies, which include assessment-related measures.**

## KEY CONSIDERATIONS

- The 2019 assessment notices were available online after January 2 and BCA sent home owners a mailed copy in early January.
- 2019 property assessment highlights include:
  - Metro Vancouver detached single family home values decreased by 5-10% over last year including Vancouver, North Shore, South Surrey, White Rock, south Delta and Richmond.
  - Other areas such as Fraser Valley, Vancouver Island and the Okanagan saw greater increases of 10-20% for detached single family homes.
  - The residential condo market is robust with typical changes in the 10-20% range across Metro Vancouver, Fraser Valley, Vancouver Island and the Okanagan.
  - Typical commercial and industrial properties saw strong increases across most of the province in the 10-20% range, with upwards of 35% increases in some areas around Vancouver.

**CONTACT:** Rob Fraser, Executive Director, Property Assessment Services, 778-698-3560







Honourable Selina Robinson

Date: February 7, 2019

### Nav Canada (NavCan) Control Tower

#### ISSUE

- Determination of assessed values for Nav Canada (NavCan) control towers.

#### RECOMMENDED RESPONSE

- In 2016, the BC Court of Appeal ruled that NavCan's 19 control towers have market value, and referred the question of valuation back to the Property Assessment Appeal Board (PAAB).
- While the PAAB hearing was pending NavCan and BC Assessment (BCA) have reached an agreement on the outstanding appeals for 2011-2017 which also established a base for agreement on the 2018 and 2019 assessed values for the 19 control towers.
- NavCan and BCA are currently reviewing additional agreement terms that would establish a methodology for determining 2020 and future year values.
- Government has indicated that if necessary assessment values may be regulated for future years.

#### KEY CONSIDERATIONS

- NavCan is a not-for-profit federal corporation contracted to the federal government to provide aircraft safety and guidance services to airports across the country. NavCan leases a small portion of the larger airport properties on which the control towers and facilities (mostly communication equipment) are located. The leases restrict the use of most of the 136 NavCan properties to the provision of the contracted services.
- The BCCA ruled on Feb. 16, 2016, that the NavCan properties had value to the owner and the nominal valuations of \$20 (from previous PAAB and BC Supreme Court rulings) were rejected. The Court referred the question of what value to attribute to the control towers back to the PAAB. NavCan's application for leave to appeal to the Supreme Court of Canada was denied.
- To ensure certainty for taxing jurisdictions, the Province enacted a legislative amendment to the Assessment Act (May 2016) that provides authority to prescribe assessed values or a valuation methodology for restricted-use properties such as NavCan and BC Ferry Services facilities. If implemented, this legislation would supersede valuations determined by the PAAB.



Honourable Selina Robinson

Date: February 7, 2019

NAVCAN CONTROL TOWER



### TRIBUNAL TRANSFORMATION PROJECT

#### ISSUE

- The Province, led by the Ministry of the Attorney General, has initiated a project to consolidate administration of all administrative tribunals.

#### RECOMMENDED RESPONSE

- **Ministry staff are working with Attorney General staff in**  
s.13
- **The Project goal is to consolidate the administration of all tribunals under a common model with a common data system to reduce cost, improve efficiency and give users better access to review process.**

#### KEY CONSIDERATIONS

- s.13

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**CONTACT:** Rob Fraser, Executive Director, Property Assessment Services Branch, 778-698-3560



Honourable Selina Robinson

Date: January 29, 2019

## 2018 TransLink Overview

### ISSUE

- TransLink's highlights from 2018

### RECOMMENDED RESPONSE

- **2018 was a successful year for TransLink. Highlights include:**
  - **A \$7.3 billion transit investment, the largest in B.C.'s history, for Phase Two of the 10-Year Vision.**
  - **A 6.5 per cent increase in ridership over 2017, with 26.5 million more boardings.**
  - **266 new vehicles and a successful double decker bus pilot.**
  - **Completion of Joyce and Metrotown stations.**
  - **The launch of "tap to pay" for credit cards and mobile wallets, with 3.25 million taps in the first six months.**
  - **The launch of the Universal Fare Gate Access Program.**
  - **The addition of 65,000 bus service hours as part of Phase One of the 10-Year Vision.**
- **We are proud to be a key partner in the funding and delivery of these much needed service improvements that will get people moving.**

### KEY CONSIDERATIONS

- New vehicles: 4 SkyTrain cars; 106 compressed natural gas, 10 articulated and 40 hybrid buses; 27 community shuttles; and 79 HandyDART buses.
- TransLink has delivered 275,000 annual bus service hours as part of Phase One of the 10-Year Vision, with an additional 225,000 hours expected for 2019.
- The percentage of people choosing transit to commute in Metro Vancouver has increased from 14 to 20 per cent between 1996 and 2016, the largest increase of any Census Metropolitan Area in Canada.
- As of November 2018, ridership had increased 17 per cent since 2016.

**CONTACT:** Jodi Dong, Executive Director, Community Policy and Legislation Branch,  
778 698-3399



## Broadway Subway Project

### ISSUE

- Broadway Subway Project

### RECOMMENDED RESPONSE

- **Once opened, regardless of the time of day or traffic conditions, the commute from Commercial Broadway Station to Arbutus Street will save the average commuter almost 30 minutes a day.**
- **B.C. is contributing 40 per cent (\$2.54 billion) of the capital costs toward Phase Two of the Mayors' Council Ten-Year Vision that includes rapid transit in Vancouver and Surrey.**
- **The Province, as the owner of the existing SkyTrain system, will carry TransLink's work forward in delivering the project.**
- **This project will result in thousands of direct and indirect jobs, supporting a strong and sustainable economy.**
- **We are also working with mayors to support the construction of affordable homes along this new rapid transit line.**

### KEY CONSIDERATIONS

- Construction of the Broadway Subway is expected to begin in 2020 with service commencing in 2025.
- The RFQ was released to the public on February 15, 2019, including confirmation that the Community Benefits Agreement will apply.
- The total cost of the project is estimated at approximately \$2.83 billion
- The funding breakdown for Phase Two is:
  - Government of Canada: \$888.4 million
  - Government of British Columbia: \$1.82 billion
  - City of Vancouver: \$99.8 million (in-kind land contribution)
- It's estimated that this project will result in 7,190 direct jobs and 5,270 indirect jobs, and support economic and urban development within the region.
- The City of Vancouver's land use planning process for the project corridor will be complete in December 2020.

**CONTACT:** Jodi Dong, Executive Director, Community Policy and Legislation Branch  
778 698-3399



### TRANSIT DISCOUNTS – EXPANDED ELIGIBILITY

#### ISSUE

- Expanded Transit Discount eligibility for those with low incomes, and youth.

#### RECOMMENDED RESPONSE

- **We are committed to funding 40% of the capital costs of the Mayors' Council Ten-Year Vision and assisting the region with the tools they need to get moving on important transportation infrastructure and service enhancements.**
- **We are also working with mayors to ensure that the local governments are developing plans for more housing to be built along the new rapid transit lines, so that local families can reap the full benefits of these investments.**
- **Making transportation more affordable for all British Columbians is a shared responsibility and any affordable transportation discussions need to be province-wide in nature.**
- **We look forward to hearing recommendations from TransLink and BC Transit on ideas to provide more affordable transportation for youth and people with low-incomes.**

#### KEY CONSIDERATIONS

- TransLink is stating publicly that senior levels of government should provide new funding for expanded discounted fares.

s.13; s.16

**CONTACT:** Jodi Dong, Executive Director, Community Policy and Legislation Branch,  
778 698-3399







## HandyDART

### ISSUE

- TransLink HandyDART service<sup>s.13</sup>

### RECOMMENDED RESPONSE

- **HandyDART is a vital service that many people rely on for their daily commute and staying connected to friends and family.**
- **It is a priority for our government to make sure everyone can access the important services they depend on, including accessibility to transit.**
- **Our government supports the Mayors' Council 10-Year Vision, including the 22 per cent increase in service that is now being rolled out as part of Phase One and Phase Two.**
- **We look forward to further discussions through 2019 with the Mayor's Council, TransLink and BC Transit on how we can improve HandyDART service, reduce trip denials and ensure that seniors and people with disabilities get the rides they need.**

### KEY CONSIDERATIONS

- Government's election platform and the Minister of Transportation and Infrastructure's mandate letter both stated their intention to work with TransLink and BC Transit to find long and lasting solutions to improve HandyDART service.
- TransLink undertook a review of HandyDART operational policies and service structure that resulted in a number of recommendations to improve service, which are now being implemented.
- The Mayors' Vision stated that they wish to pursue a cost sharing arrangement with the Province to support HandyDART services, particularly for trips to access health services.

- s.13; s.16

**CONTACT:** Jodi Dong, Executive Director, Community Policy and Legislation Branch,  
778 698-3399

Honourable Selina Robinson

Date: January 29, 2019

## Mobility Pricing

## ISSUE

- Work on mobility pricing being undertaken by the Mayors' Council

## RECOMMENDED RESPONSE

- **The Mayors' Council is examining mobility pricing as a possible approach to manage congestion and support continued investment in transit and transportation infrastructure upgrades.**
- **The Mobility Pricing Independent Commission's 2018 report was a key introduction to the topic, and raised issues about fairness and affordability.**
- **Our government is committed to making life more affordable and getting people moving in the Lower Mainland.**
- **We will work with the region to advance the mayors' Vision, to get people out of traffic and home with their families.**
- **Any congestion solution in Metro Vancouver needs to be fair and affordable for everybody, and I know the mayors share that view.**

## KEY CONSIDERATIONS

- As part of their 2019 Work Plan, the Mayors' Council established a New Mobility Committee to study mobility pricing and the future of the fuel tax.
- The Mobility Pricing Independent Commission delivered its final report in May 2018 that considered: congestion point charges, including tolls and distance-based charges varying by time and location.
- The Commission estimated congestion point charges could cost the average paying household \$5 to \$8 per day, and \$1,800 to \$2,700 per year. Multi-zone distance-based charges could cost the average paying household \$3 to \$5 per day, and \$1,000 to \$1,700 per year.
- The Commission said if the Mayors' Council decided to proceed it would require: 6 to 12 months of feasibility work, including examining affordability measures; one to two years for policy development; and two to three years for implementation.
- The Integrated North Shore Transportation Planning Project (INSTPP) will develop a shared North Shore approach to mobility pricing by June 2019.

**CONTACT:** Jodi Dong, Executive Director, Community Policy and Legislation Branch  
778 698-3399

Honourable Selina Robinson

Date: February 20, 2019

## Motor Fuel Tax Increase

### ISSUE

- Proposed 1.5 cent per litre increase to TransLink's regional fuel tax.

### RECOMMENDED RESPONSE

- **We are improving and expanding services that people count on.**
- **The investments in the Ten-Year Vision are essential for people throughout the region, especially as Metro Vancouver is expecting over 1 million more residents in the next 25 years.**
- **The Mayors asked for help to close their regional funding shortfall, and we committed to working with them to close that gap.**
- **The revenue from this small increase to the regional fuel tax will support expanded transportation and commuting options.**

### KEY CONSIDERATIONS

- Under the *Motor Fuel Tax Act*, TransLink receives a portion (17 cents per litre) of the tax assessed on clear gasoline and diesel fuel sold in Metro Vancouver.
- The *Budget Measures Implementation Act, 2019* amends the *Motor Fuel Tax Act* and *South Coast British Columbia Transportation Authority Act* to allow TransLink to increase the regional fuel tax by up to 1.5 cents per litre, beginning July 1, 2019.
- According to the Mayors' Council's Phase Two Investment Plan, the increase will raise \$30 million a year. TransLink anticipates \$4.15 billion in motor fuel tax revenue from 2018-27, including \$270 million from the increase.
- Assuming TransLink increases the fuel tax rate on July 1, 2019, total motor fuel taxes in TransLink's service area will be 27 cents per litre of gasoline:
  - 18.5¢ Dedicated Motor Fuel Tax (TransLink);
  - 6.75¢ Dedicated Motor Fuel Tax (BC Transportation Financing Authority);
  - 1.75¢ Provincial Motor Fuel Tax (general revenue).
- Carbon tax is 8.89¢/L on gasoline, for a total potential provincial tax of 35.89¢/L in Metro Vancouver as of July, 2019. Carbon tax revenue does not go to TransLink.
- If the 2019 Budget bill does not receive Royal Assent in April, 2019, TransLink cannot increase the tax in July. The next possible date is October 1, 2019.

**CONTACT:** Jodi Dong, Executive Director, Community Policy and Legislation Branch  
778 698-3399

Honourable Selina Robinson

Date: February 1, 2019

### North Shore Integrated Transportation Strategy

#### ISSUE

- North Shore Integrated Transportation Strategy update and status

#### RECOMMENDED RESPONSE

- **Our government is keenly aware that congestion on the North Shore continues to build, which is why we are looking at ways to ease congestion and get traffic flowing more effectively.**
- **The Integrated North Shore Transportation Planning Project (INSTPP) is led by MLA Bowinn Ma in partnership with the Ministry of Transportation and Infrastructure (MOTI) and the region.**
- **Last year, INSTPP reviewed transportation needs for the North Shore and identified opportunities for short-term improvements. MOTI is already implementing several recommendations**
- **The Province will continue to engage with its INSTPP partners to get people moving on the North Shore.**

#### KEY CONSIDERATIONS

- MOTI is implementing several INSTPP recommendations, including: starting construction of the Lower Lynn Improvement Project to improve travel time reliability on the Upper Levels Highway; and advancing discussions to implement a Sea-to-Sky regional transit service connecting with Metro Vancouver.
- INSTPP's 2018 report also highlighted: rapid transit within and to and from the North Shore; additional passenger ferry routes; and mobility pricing as ways to meet INSTPP's objectives for improved access and mobility.
- INSTPP reported some ideas are not possible or will not reduce congestion: bridge widening or replacement; adapting CN Rail Bridge for buses or bicycles; bus-only lanes on existing bridges; and gondolas in the North Shore.
- INSTPP recommended creating a permanent governance body to focus on long-term planning and implementation of recommendations. Bowinn Ma is leading efforts to develop new terms of reference to reconvene INSTPP later in 2019.
- **NOT PUBLIC** (as of April 1, 2019): The Province will help finance a study of a rapid transit crossing between the North Shore and the Burrard Peninsula.

**CONTACT:** Jodi Dong, Executive Director, Community Policy and Legislation Branch,  
778 698-3399

### RAPID TRANSIT FROM ARBUTUS TO UBC

#### ISSUE

- The Mayors' Council is considering extending rail rapid transit to UBC.

#### RECOMMENDED RESPONSE

- **Investment in public transportation for Metro Vancouver is a top priority for our government.**
- **Our focus right now is on working with TransLink to deliver Phase 2 of the Mayors' Council's 10-Year Vision.**
- **Any future investment decision would require cooperation and cost sharing from all levels of government – provincial, federal and regional.**

#### KEY CONSIDERATIONS

- The Phase Two investment plan includes building the Millennium Line Broadway Extension to bring SkyTrain from VCC-Clark to Broadway and Arbutus, and \$3 million in funding for project development for rapid transit to UBC.
- In April 2018, UBC's Board of Governors passed a motion to support rapid transit to UBC and to explore a contribution to the regional share of project costs.
- SkyTrain to UBC is projected to have the highest ridership and ridership growth, outperforming both B-Line and LRT service.
- Preliminary SkyTrain cost estimates range from \$3.3B to \$3.8B in 2018 dollars with a completion date of 2030 (\$4.1B to \$4.8B for "year of expenditure" costs).
- On January 24, 2019, the Mayors' Council discussed rapid transit to UBC, including government funding and possible land value capture revenue. TransLink currently has no regional funding for this project.
- On January 30, 2019, Vancouver City Council voted to endorse SkyTrain to UBC and to begin work to determine station locations and alignment.
- The Mayors' Council voted to endorse a SkyTrain extension to UBC on February 15, 2019. The project may be included in TransLink's Regional Transportation Strategy.
- Construction of SkyTrain to UBC would require a new investment plan and senior government funding before the project could proceed.

**CONTACT:** Jodi Dong, Executive Director, Community Policy and Legislation Branch,  
778 698-3399



Honourable Selina Robinson

Date: January 30, 2018

# TransLink Governance Review

## ISSUE

- TransLink governance review by the Mayors' Council

## RECOMMENDED RESPONSE

- Our government has worked hard to establish a good working relationship between the TransLink Board and the Mayors' Council.
- It is because of this relationship that TransLink now has the tools and support to get moving on important transportation infrastructure and service enhancements that will help ease congestion and keep people moving.
- I recognize the importance of TransLink governance to the Mayors' Council, and have committed to work with them to explore improvements to TransLink's governance model.
- I look forward to further conversations about any suggestions from the Mayors' Council that will advance their Vision and make collaboration between all parties even better.

## KEY CONSIDERATIONS

- The government's 2017 election platform includes a commitment to work with Metro municipalities to develop a new TransLink governance model that provides the structure, the funding model and the certainty to make good transportation decisions.
- In December, 2018 the new Mayors' Council voted to include a review of TransLink's governing legislation as part of the Mayors' Council 2019 Work Plan.
- The review will form part of TransLink's Finance and Governance Committee and a report on this issue is expected to be delivered to the Mayors' Council in Spring 2019.
- Decisions by the Mayors' Council can either be made by a weighted system based on population (generally operational and financial matters relating to the transportation service region) or by a one member, one vote system (generally issues related to governance).

**CONTACT:** Jodi Dong, Executive Director, Community Policy and Legislation Branch,  
778 698-33990



### MAYORS' COUNCIL VISION – PHASE 3

#### ISSUE

- Phase Three projects

#### RECOMMENDED RESPONSE

- **Investment in public transportation for Metro Vancouver is a top priority for our government.**
- **That is why we have committed to funding 40% of the capital for every Phase in the Mayors' Council Ten-Year Vision.**
- **Our focus right now is on working with TransLink to deliver Phase Two of the Vision.**
- **Any future investment decision would require cooperation and cost sharing from all levels of government.**
- **I look forward to hearing from TransLink and the Mayors' Council on work they will be doing to develop their Phase Three Investment Plan.**

#### KEY CONSIDERATIONS

- TransLink is presently developing its Phase Three Investment Plan and a review of the key elements of this plan and options for next steps will be presented in the first quarter of 2019.
- Current Phase Three projects include service upgrades, station upgrades, construction of stage two of rapid transit in Surrey, a bulk of the Major Roads Network (MRN) upgrades, walking and cycling upgrades, and transit exchange upgrades.
- s.13
- As part of their 2019 work plan, TransLink is working on federal and provincial engagement to secure new funding for remaining unfunded projects in the 10-Year Vision (the Phase Three Plan and Rail to UBC), as well as for new regional priorities identified in the Regional Transportation Strategy (RTS) update.

**CONTACT:** Jodi Dong, Executive Director, Community Policy and Legislation Branch,  
778 698-3399



Honourable Selina Robinson

Date: January 30, 2018

## ISSUE

- TransLink Mayors' Council Vision – Phase Two Funding.

- **The Province is committed to funding 40% of the capital costs of the Mayors' Council Ten-Year Vision.**
- **Phase Two of the Vision includes increased bus service to areas like Maple Ridge that are underserved by transit options, better SkyTrain service with 108 new SkyTrain cars, and new rapid transit options for Surrey and Vancouver.**
- **These are important projects, so in addition to funding 40% of the Vision's capital costs, we also enabled new authorities for the region come up with its share of the funding for Phase Two.**

- In June 2018, the Mayors' Council approved their Phase Two Investment Plan which included construction of rapid transit in Surrey and Vancouver.
- Phase Two (capital, operating and financing) is estimated to cost \$7.63B over ten years. The Province is funding 40% (estimated at \$2.54B) of the capital costs.
- The federal government, through Infrastructure Canada and the Investing in Canada Infrastructure Program, committed to fund \$2.2B for rapid transit projects within the Lower Mainland.
- As part of the Phase Two Plan, the Province enabled or will enable new revenue sources for the region to fund their share of the Plan:
  - Enabling the regional Development Cost Charges through legislation in spring 2018;
  - Enabling TransLink to increase the parking rights tax through legislation in fall 2018; and
  - Future increase in regional fuel tax through legislation in spring 2019 (part of the *Budget Measures Implementation Act, 2019*).

## TransLink Mayors' Council Vision – Phase 2 Funding

## AUDITOR GENERAL FOR LOCAL GOVERNMENT PROFILE

### Program Objectives:

- The objective of the Office of the Auditor General for Local Government (AGLG) is to conduct performance audits of the operations of local governments in order to provide local governments with objective information and advice that will assist them in their accountability to their communities for the stewardship of public assets and the achievement of value for money in their operations.

### Program Description:

- The Auditor General for Local Government (the AGLG), empowered under the *Auditor General for Local Government Act* (the Act), functions with independence from government in the work that it completes. It is overseen by an OIC-appointed Audit Council.
- The AGLG provides non-binding, objective recommendations to assist local governments in achieving effectiveness, economy and efficiency in their operations and stewardship of public funds.
- The office is funded by the Province for its responsibilities as set out in the Act and must adhere to the province's core administrative policies.
- The AGLG has released 35 reports in total: 28 performance audit reports and seven "Perspectives" booklets on best practices.
- The performance audits and related Perspectives booklets highlight the valuable role that the AGLG plays in providing feedback to local governments to make sure their systems and processes are well managed and meeting local taxpayers' expectations.

### Client Profile:

- About 190 local governments, regional districts and greater boards, and additional associated boards and entities.
- Stakeholders from business, local government associations and other interested organizations.

### Audit Council:

- A key accountability mechanism for the AGLG is the Audit Council. The Audit Council's role is to monitor and review the performance of the AGLG, and review and comment on AGLG performance audit reports and any other reports, such as the AGLG's service plans and annual reports.
- As required by legislation, the minister will consult with UBCM regarding the reappointment and/or replacement of Audit Council members.

- There are currently five Audit Council members:

Name	Position	Date First Appointed	Dates of Reappointment	Term Expiry
Ariganello, Antonio	Chair	2012-04-25	2015-03-31, 2018-03-31	2019-09-30
MacDonald, Donalda	Member	2012-04-25	2015-03-31, 2018-03-31	2019-09-30
Wood, Timothy	Member	2012-04-25	2015-03-31, 2018-03-31	2019-09-30
Daykin, Ernest	Member	2015-09-23	2016-12-31, 2018-12-31	2019-12-31
Hartshorne, Dorothy	Member	2015-10-08	2016-12-31, 2018-12-31	2019-12-31

**Contact:** David Curtis, ADM, Community and Management Services Division,  
778-698-5845





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Honourable Selina Robinson

Date: February 6, 2019

- While it is difficult to quantify the value of the office, the report found that local governments that are recipients of a performance audit benefit to a significant degree from the audit findings and recommendations.
- The report also found the majority of local governments that provided input into the five-year review are implementing changes to policy or practices as a result of performance audits completed in other organizations.
- The report confirms that the value for money provided by the office goes well beyond only the local governments that have been audited by the office.

**CONTACT:** Jodi Dong, Executive Director, Community Policy and Legislation Branch  
(778) 698-3399

### **FIVE-YEAR REVIEW OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENT**

#### **ISSUE**

- The five-year review of the AGLG Act and office has been completed.

#### **RECOMMENDED RESPONSE**

- **The results of the independent review clearly show that the AGLG helps local governments deliver the services people count on.**
- **We need to listen to local governments and right now most are saying that the AGLG offers a valuable service to their communities.**
- **The current AGLG has made a number of improvements to improve the functioning of the office.**
- **At the same time, several recommendations have been made through this process. The Ministry and the AGLG are jointly reviewing these recommendations and will report back to me with a plan on addressing them.**

#### **KEY CONSIDERATIONS**

- Section 29 of the *AGLG Act* (the Act) requires that the minister responsible to initiate a review of the Act and the office of the AGLG after five years.
- The review was recently completed by an independent consultant. The review was overseen by a Working Group that included representatives from the Union of BC Municipalities and the Local Government Management Association.
- The consultant conducted 20 interviews with individuals from key organizations and distributed surveys to all local governments – including communities that had not been audited by the AGLG.
- According to the report, the majority of non-audited local governments (86 per cent) made changes to their organization based on AGLG documents; and, the majority of comments received from local government staff were positive and supportive of the value of the office.
- The report recommends that the Ministry retain the AGLG office; create a foundation document for the AGLG to operationalize the purpose and mandate of



## 2019/20 Estimates Note

Honourable Selina Robinson

Date: January 29, 2019

the office; rebrand the office; and, explore different approaches to conduct performance audits for smaller communities.

- The consultant fees for the five-year review totalled \$39,637.

**CONTACT:** Jodi Dong, Executive Director, Community Policy and Legislation Branch  
(778) 698-3399





## Ride-hailing – local government impacts

### ISSUE

- Ride-hailing and taxi modernization – update and local government impacts.

### RECOMMENDED RESPONSE

- **Government approved ride-hailing and taxi modernization legislation in fall 2018.**
- **The legislation creates a framework that responds to concerns about the need for better access to taxis and ridehailing options.**
- **The framework also takes significant steps to reduce regulatory overlap between the province and municipalities, ensure passenger and driver safety, and protect accessibility.**
- **Throughout the process of developing this framework, we worked with municipalities to understand their existing bylaws and challenges, and consulted with key groups affected such as UBCM.**
- **The legislation will come into effect in 2019 and we will continue to work with local governments to ensure the new framework meets the needs of communities and British Columbians.**

### KEY CONSIDERATIONS

- Amendments were made to the *Community Charter*, *Local Government Act* and *Vancouver Charter* to prevent municipalities from:
  - limiting the number of taxis and ride-hailing vehicles and;
  - prohibit taxi or ride-hailing companies from operating in any municipality.
- Once these provisions come into force, existing municipal bylaws that regulate in these areas will have no effect.
- The existing municipal chauffeur permit regime will be replaced with new provincial standards. Provincial permits will now be issued in areas that previously were not covered by municipal permits, as well as for drivers that operate in multiple municipalities.
- Municipalities will still be able to regulate with respect to:
  - areas that are not related to supply, such as vehicle age, appearance, eco-friendly and accessibility requirements; and



## 2019/20 Estimates Note

Honourable Selina Robinson

Date: January 28, 2019

- streets and traffic bylaws, such as restricting the areas where taxis and ride-hailing vehicles can pick up and drop off passengers.
- s.16
- The next step will be for government to prepare regulations which will bring the legislation into force.
- A number of regulatory issues have been referred to the Committee on Crown Corporations which will report back to the Legislative Assembly by March 31, 2019.
- Government is on track to have ride-hailing companies apply to the Passenger Transportation Board to operate by fall of 2019.
- A Special Committee will be convened two years following the legislation coming into force to review any issues and concerns that arise.

**CONTACT:** Jodi Dong, Executive Director, Community Policy and Legislation Branch  
778 698-3399

## AMALGAMATION

### ISSUE

- Amalgamation of two or more municipalities

### RECOMMENDED RESPONSE

- **Our government is working hard with municipalities to improve the services people count on, while also supporting the strong tradition of elector choice and self-determination in local governance matters.**
- **Constructive and balanced dialogue helps municipalities and regional districts assess whether current governance structures are meeting community needs. Any request for amalgamation needs to come from the local governments themselves.**
- **There are many different ways to balance regional and local interests to achieve efficiency and good governance, whether through inter-municipal service agreements or through service arrangements in regional districts.**
- **British Columbia's municipalities continue to evolve, and with support of councils and local voters, amalgamation has always been one of the ways to integrate decisions across municipal boundaries.**
- **Municipal amalgamation can be a complicated issue and requires a concrete, practical proposal with a clear understanding of implications and interests. Ministry staff can provide information regarding processes and considerations for any communities interested in discussing governance change.**

*If asked about Saanich-Victoria amalgamation or Citizens' Assembly...*

- **The voters of Saanich and Victoria expressed their support for examining amalgamation in the local elections last fall, and the respective councils are working on next steps.**

*Continued...*

Honourable Selina Robinson

Date: March 18, 2019

- **I am open to discussing specific proposals, and when the municipalities reach agreement on a proposal, the councils may jointly apply for a potential funding contribution for a study.**
- **In the meantime, ministry staff can provide information if the municipalities are interested in learning about processes related to governance and services studies.**

*If asked about role of/impact on regional districts...*

- **Amalgamated municipalities will not eliminate important roles for regional districts – such as providing services across regions, in rural areas and between sub-regions, and accessing affordable local government financing.**

*If pressed on financial assistance from province for a formal process...*

- **I am open to discussing specific proposals further if local governments can provide plans for how they would proceed in the best interests of residents in the region.**

## KEY CONSIDERATIONS

- An amalgamation is – in essence – incorporation of a new municipality where once there were two or more. To be successful, it needs to be supported by electors and councils of each existing municipality.
- The *Community Charter* requires that voters in each existing municipality must support amalgamation in order for it to proceed.
- An examination of the financial, service and governance implications precedes a decision of the Minister to order votes on the creation of any new municipality.
- Amalgamation arises periodically, typically as local general elections approach, in areas where municipalities share mutual boundaries: the Capital region, Greater Vernon and North Shore in Metro Vancouver are particularly prone to such discussions.
- Duncan and North Cowichan initiated a joint amalgamation study process in 2016, which concluded with an amalgamation vote on June 23, 2018. Voters in Duncan rejected amalgamation, while voters in North Cowichan were in support; as a result, amalgamation did not proceed.
- The last municipal amalgamation in B.C. was in 1995, when the Districts of Abbotsford and Matsqui merged to form the City of Abbotsford. Municipalities in the Comox Valley considered amalgamation in 1999, although it was ultimately rejected by voters in two of the three municipalities.



## CLEAN WATER AND WASTEWATER FUND

### ISSUE

- Ongoing administration of the Clean Water and Wastewater Fund

### RECOMMENDED RESPONSE

- Our government is committed to making life more affordable for British Columbians and improving the services you can count on. That is why our government continues to support the Clean Water and Wastewater Fund.
- The Ministry of Municipal Affairs and Housing is the lead ministry on the Fund which, outside of the Gas Tax Fund, was the largest local government infrastructure funding program in B.C. in the last 15 years.
- This program was a significant opportunity for local governments, with their cost share reduced from the traditional 33 per cent to 17 per cent.
- This funding is helping communities move ahead with important improvements to their water, wastewater and storm water systems, and ensuring residents enjoy safe and reliable access to drinking water. It is also improving environmental protection and is assisting local governments in their efforts to comply with senior government regulations.
- The Clean Water and Wastewater program allocated \$148.5 million in Provincial funds to 180 projects between Fall 2016 and Spring 2017.
- Approved projects have until March 31, 2020 to complete construction as a result of an extension to the program timelines.

### KEY CONSIDERATIONS

- The Clean Water and Wastewater Fund (CWWF) is a three-year joint federal-provincial infrastructure funding program for the rehabilitation and renewal of drinking water, wastewater and storm water infrastructure and the planning and design upgrades for future facilities.



## 2019/20 Estimates Note

Honourable Selina Robinson

Date: January 31, 2019

- The CWWF bilateral agreement was signed on September 30, 2016, with \$225.1 million federal funding and \$148.5 million provincial.
- In December 2017 the federal government approved a two-year program extension, to March 31, 2020, as a result of Provincial/Territorial pressure to extend the timelines for projects to complete under the program.

**CONTACT:** Tara Faganello, ADM, Local Government Division, 250 356-6575



# CAPITAL REGIONAL DISTRICT WASTEWATER TREATMENT PROJECT

## ISSUE

- The Capital Regional District wastewater treatment project is underway with significant construction continuing in 2019.

## RECOMMENDED RESPONSE

- **Our government is committed to making life more affordable and improving the services British Columbians count on, and that is why our government is committed to maintaining the contribution agreement as signed on March 10, 2017.**
- **I am confident that the wastewater project can continue on a progressive course to serve the best interests of taxpayers and communities in the region.**
- **The project will provide wastewater treatment and biosolids treatment, with resource recovery, for the seven Core-Area communities of Victoria, Oak Bay, Saanich, Esquimalt, View Royal, Colwood and Langford.**
- **The Province will contribute one-third of eligible costs, to a maximum of \$248 million, dependent on the completion of all project components.**
- **To ensure the project meets its goals and objectives, and to protect provincial interests, the provincial contribution was made with certain conditions.**
- **There is no change to the commitment funding amount of \$248 million; however, recognizing the progress that the Capital Regional District is making, the Province is considering making a payment of up to \$62 million in fiscal 2019/20.**

*Continued...*



## 2019/20 Estimates Note

Honourable Selina Robinson

Date: January 29, 2019

- Construction on the project is underway and will be significant in 2019 with several components that will impact the public, including:
  - Clover Point Pump Station: Construction started in 2018 with completion expected in 2020.
  - Clover Forcemain: Construction started in January, 2019. Pipe will be installed along Dallas Road from Clover Point to Ogden Point, where it will connect to the Victoria Harbour Crossing.
  - Macauley Point Pump Station and Forcemain: Construction started mid 2018 with completion expected in 2020.
  - McLoughlin Point WWTP: Construction began in 2017 and will continue in 2019 with start-up and commissioning expected in late 2019. The site is visible from the ocean and from Ogden Point.
  - Residuals Treatment Facility: Construction began in mid-2018 with completion expected in late 2020.
  - Residuals Solids Conveyance Line (sludge pipeline): Construction started in late 2018 with re-alignment of the pipe to preserve existing trees in Saanich. The pipeline will follow an existing right-of-way from McLoughlin WWTP to the RTF at the Hartland Landfill through Saanich, Esquimalt, and Victoria.
  - The Victoria Harbour Crossing was completed in 2018 ahead of schedule and connects Ogden Point to McLoughlin Point with an undersea pipe.
- Deadlines:
  - May 31, 2017 – CRD to submit a plan to the Minister of Environment and Climate Change Strategy that outlines procedural steps and schedule it will implement to achieve a definitive plan for beneficial use of biosolids.
    - CRD met the deadline with minimal requirements – a more detailed plan will be completed.
  - June 30, 2019 – CRD to submit to the Minister of Environment and Climate Change Strategy a plan for beneficial use of biosolids.
  - December 31, 2020, – The federal government's Environment and Climate Change Department has confirmed that the CRD wastewater systems proposed for Macaulay Point and Clover Point are well above the "high risk" designation threshold. The CRD must comply with federal standards for wastewater treatment by the end of 2020.

Honourable Selina Robinson

Date: January 29, 2019

○ Funding:

- **Federal government:** Original federal funding commitment to the project was \$253.4 million (agreements in principle) from three different programs:
  - \$120 million from the Building Canada – Major Infrastructure Component (Infrastructure Canada);
  - \$50 million from the Green Infrastructure Fund (Infrastructure Canada); and
  - \$83.4 million from PPP Canada.
- However, with the project scope reduced for the Residuals Treatment Facility, the PPP Canada contribution needed to be reduced from \$83.4 million to \$33.4 million. The scope reduction resulted in reduced eligible costs, and the P3 Fund has a strict allocation rule of only 25 per cent to eligible costs.
- **Provincial government:** \$248 million (operating) is identified in a Shared Cost Agreement signed by MAH and the CRD.
  - Under the existing terms of the agreement the provincial contributions will be made in two separate payments, with the first being made once the project achieves clearly defined payment terms and conditions in the agreement and reaches substantial completion (expected in 2020/21), with the second payment being made upon commissioning of the entire system (expected in 2021/22).
  - The Province is considering re-profiling a payment of 25 per cent (\$62,000,000) in 2019/2020. This will reduce the expected payment of \$124,000,000 in 2020/21 to \$62,000,000 resulting in payments over three fiscal years rather than two.
  - The CRD has demonstrated sound project management and implementation under the tight timelines and constraints on this project. The project is on track for completion and meeting key objectives.
  - s.13; s.16



## 2019/20 Estimates Note

Honourable Selina Robinson

Date: January 29, 2019

s.13; s.14

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**CONTACT:** Tara Faganello, ADM, Local Government Division, 250 356-6575

## DEVELOPMENT APPROVALS PROCESS REVIEW

### ISSUE

- The Province is working closely with local governments to increase housing supply, choice and affordability. This includes a multi stakeholder review of the local government development approval process to identify opportunities to increase its overall efficiency and effectiveness.

### RECOMMENDED RESPONSE

- **The development review process can be costly and lengthy and slow down the provision of much needed housing supply. Many stakeholders have a role to play in the review.**
- **Local governments are on the front lines of the housing crisis. Through their authorities for planning and land use they are well positioned to help advance the development of new homes.**
- **Given the critical need of communities, this is an opportune time to examine development approvals and consider whether barriers or complexities can be reduced while ensuring that important standards and community needs are being met.**

### KEY CONSIDERATIONS

- Local governments are responsible for ensuring a suitable supply of housing, in a range of types and locations, to meet community needs now and in the future. Communities accomplish this through land use planning, ensuring an adequate supply of suitably zoned land, regulating development and providing services.
- In many jurisdictions in British Columbia, however, the development approvals review process has increased in complexity without necessarily delivering better outcomes in terms of a greater and timelier supply of housing, or fairness and certainty for the public and the development industry alike.
- The province is committed to working with all levels of government, the private and non-profit sectors to increase the supply of affordable housing.
- The issue of housing affordability and local delays in development approvals is a recurring topic in the media.
- The Ministry is engaged in comprehensive consultations with a range of stakeholders from across the province, to identify issues and opportunities for improving the local government development approvals process.



Ministry of  
Municipal Affairs  
and Housing

## 2019/20 Estimates Note

Honourable Selina Robinson

Date: March 27, 2019

○ s.13

**CONTACT:** Tara Faganello, ADM, Local Government Division, 250 356-6575

## FIRE SAFETY ACT

### ISSUE

- Ministry support for Emergency Management BC's intention to implement rural fire inspections across the province

### RECOMMENDED RESPONSE

- **I am aware of the concerns that rural fire inspections under the Fire Safety Act will be challenging for regional districts to implement. I am also aware that regional districts have identified a range of specific concerns, including costs, governance and other on-the-ground implementation challenges.**
- **I understand that the Union of BC Municipalities' Fire Safety Working Group and the Office of the Fire Commissioner have taken steps to assist in developing a shared understanding of potential implementation challenges, as well as the cost implications of delivering rural fire safety services.**
- **I am fully supportive of this collaborative approach continuing, as it will be critical to achieving fire safety outcomes that protect the health and safety of all British Columbians.**

### KEY CONSIDERATIONS

- In summer 2018, Minister of Public Safety and Solicitor General directed Emergency Management BC (EMBC) to amend the *Fire Safety Act* (FSA) in Spring 2019 to implement a "single standard" of fire safety throughout the Province by requiring regional districts (RDs) to implement rural fire safety services (i.e. compliance monitoring/fire inspections and investigations outside incorporated areas).
- The FSA was enacted in 2016 but is not yet in force. Once brought into force by regulation, it will replace the current *Fire Services Act*. Under the current Act, municipalities must provide for a regular system of fire inspections; the Act does not impose the same requirement on RDs.
- The Union of British Columbia Municipalities (UBCM) opposes the proposed new requirement for RDs to provide compliance monitoring/ fire inspections and investigations outside municipal areas as evidenced by endorsed Resolution SR3 from 2018. UBCM formed a Fire Safety Working Group (FSWG) to discuss this matter with EMBC.





## 2019/20 Estimates Note

Honourable Selina Robinson

Date: April 1, 2019

- After initial consultations in Fall 2018, the FSWG and EMBC respectively hired contractors to deliver *separate* reports to analyse cost implications for RDs to deliver this new service. EMBC and FSWG have received their respective reports and are now giving internal consideration to implications for EMBC's proposed approach for a "single standard" for fire safety in rural and municipal areas. MAH's understanding is that EMBC and FSWG intend to share their reports, and will be in communication to arrange a meeting to discuss the findings and recommendations of both reports.

- s.13; s.14

**CONTACT:** Tara Faganello, ADM, Local Government Division, 250 356-6575





## 2019/20 Estimates Note

Honourable Selina Robinson

Date: Jan 30, 2019

- For fiscal 2018/19 a total of 52 projects were approved for \$498,250 of the \$500,000 notional allocation for the program.

**CONTACT:** Tara Faganello, ADM, Local Government Division, 250 356-6575



Honourable Selina Robinson

Date: January 30, 2019

## ISSUE

- ## RECOMMENDED RESPONSE

- INVESTING IN CANADA INFRASTRUCTURE PROGRAM

Honourable Selina Robinson

Date: January 30, 2019

- **The initial CleanBC Communities Fund intake launched to support the CleanBC plan in late 2018 and closed March 27, 2019.**

## KEY CONSIDERATIONS

- The federal government announced their 11-year \$81.2 billion Investing in Canada Plan in February 2017. A core program of this is the Investing in Canada Infrastructure Program (ICIP) which is delivered through an Integrated Bilateral Agreement (IBA) between the federal and provincial government.
- The IBA for ICIP was signed on March 22, 2018, and was announced on April 2, 2018, representing a \$3.917 billion federal investment. ICIP is a 10-year program, running from 2018 to 2028.
- The ICIP includes four funding streams: Public Transit; Green Infrastructure; Community, Culture and Recreation; and Rural and Northern Communities.
- The Ministry of Transportation and Infrastructure (MoTI) is the primary interlocutor with the federal government on infrastructure funding agreements. The Ministry of Municipal Affairs and Housing (MAH) leads or co-leads program development and holds the budget for most, if not all non-provincial projects.
- With the ICIP's focus on climate change, the Climate Action Secretariat is a key stakeholder.
- Under ICIP the province's commitment includes:
  - A commitment that participation will include all four of the funding streams;
  - A commitment to a minimum of 33.33 per cent cost share for local government projects;
  - An equitable balance of investment between provincial and local government;
  - Consideration of projects that benefit Indigenous peoples both on and off reserve;
  - Report on targets outlined under each funding stream; and,
  - Finalize ICIP projects by March 31, 2025, (does not require full expenditure only identification and commitment of priorities).
- Under the signed IBA agreement the federal commitment includes:
  - Contribution of \$3.91 billion under the Public British Transit Infrastructure (\$2.7 billion), Green Infrastructure (\$903 million), Community, Culture and Recreation (\$157 million) and Rural and Northern Communities (\$166 million). (\$212 million already committed to Northshore Secondary Waste Water Treatment Plant bringing total to \$4.1 billion).

Honourable Selina Robinson

Date: January 30, 2019

- The Environmental Quality Program, a component of ICIP – Green Infrastructure, launched an initial application intake from May 31, 2018 to August 29, 2018, that will provide up to \$243 million in federal-provincial funding towards reliable drinking water and wastewater systems. Applications are currently under review, with final decisions anticipated in late spring 2019.
  - The Comox Valley Regional District Drinking Water Project received early approval under the Program on November 15, 2018 for \$62.9 million (\$34.3 million federal / \$28.6 million provincial) due to significant public health issues and due to the need maintain the ongoing supply of drinking water to around 45,000 residents.
- The Rural and Northern Communities (RNC) Program's initial intake launched at UBCM Convention on September 12, 2018 and closed on January 23, 2019. It will provide up to \$95 million in federal-provincial funding towards projects that support infrastructure priorities in rural communities with populations of under 25,000. Applications are currently under review, with final decisions anticipated in late 2019.
- The Community, Culture and Recreation Program's initial intake was concurrent with the RNC intake. It will provide up to \$134 million in federal-provincial funding towards projects that improve access to or the quality of cultural, recreational, or community infrastructure. Applications are currently under review, with final decisions anticipated in late 2019.
- The CleanBC Communities Fund (CCF), a component of ICIP – Green Infrastructure, launched an initial application intake on December 18, 2018. The intake will provide up to \$63 million in federal-provincial funding towards community infrastructure projects that reduce greenhouse gas emissions using clean or renewable energy or that improve energy efficiency. The intake will close on March 27, 2019.
  - The CCF is co-lead with Climate Action Secretariat at the Ministry of Environment, and is aligned with the CleanBC plan. MAH is the budget holder for the Program and will lead program management.
- The Electricity Program, a component of ICIP – Green Infrastructure, supports provincial priorities in greenhouse gas emission reductions. The Peace Region Electricity Supply Project received approval on December 7, 2018 for \$83,680,825 million in federal funding. Funding was comprised of 50 per cent funding from BC Hydro for the provincial share, and 50 per cent federal funding.
- All merit based programs are claims based, which means that provincial funding will be required in out years as projects are constructed. Proponents incur and pay costs prior to submitting claims to the Province for reimbursement.



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s.13; s.17

**CONTACT:** Tara Faganello, ADM, Local Government Division, 250 356-6575





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Date: March 29, 2019

Williams Lake, Cranbrook, Terrace, Salmon Arm and Fort St. John. The City of Kamloops has also approved two more stores in addition to the existing government-operated store.

- The Liquor and Cannabis Regulation Branch (LCRB) is responsible for licensing and monitoring private retail sales of cannabis in BC. Local government support is necessary for the approval of a provincial cannabis retail license. Provincial referrals to local governments for provincial cannabis retail licenses, as well as municipal business licensing of such locations, are underway across the province. As of March 25, 2019, LCRB has issued 14 private retail licenses.
- The Province is working closely with local governments through the Joint Provincial-Local Government Committee on Cannabis Regulation (JCCR), established at the Union of British Columbia Municipalities (UBCM) Convention in September 2017. The Minister of Public Safety and Solicitor General is the lead.
- Local governments have a number of existing tools to regulate in relation to cannabis. This includes powers in relation to zoning, business licensing, public health, and nuisance.

*Potential impacts on local governments during legalization implementation:*

- **Retail sales:** Local governments can make decisions on future cannabis retail store locations and may choose to limit numbers of locations based on the needs of their communities. Regional districts may not have sufficient authorities under current legislation to regulate cannabis retail stores beyond zoning (see below).
- **Local government authority to regulate businesses:** Municipalities have the ability to regulate in relation to businesses (business licensing) but regional districts generally do not. However, the *Local Government Act* permits a regional district to apply to the Province to enable this power by regulation (only the Central Okanagan Regional District, currently has it). Ministry staff is in contact with individual regional districts that have expressed interest in obtaining business licensing authority (e.g. Fraser Valley Regional District).
- **Municipal cannabis business licensing and application fees:** Municipalities may charge business licensing and application fees (license fees) within their jurisdictions. These license fees may be used to cover increased policing, bylaw enforcement and administrative costs. Such fees may be imposed on businesses regardless of whether they have obtained another type of permission from another government (e.g. LCRB retail license).
- Cannabis license fees across communities in B.C are reported to range widely. In most communities, cannabis license fees range between \$1,000 to \$5,000 but in the City of Vancouver the license fee is \$31,824. Reportedly this is currently the highest cannabis license fee in B.C. Ministry staff is monitoring municipal cannabis license fees and their implementation. However, currently it appears that in most

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communities license fees and license obligations are not extraordinary with respect to cannabis retailers.

- **Enforcement:** Enforcement is shared between police agencies and different levels of government including local governments (e.g. municipalities enforcing their own business licensing or zoning rules). There are concerns regarding coordination, conflicting enforcement priorities and lack of resources.

The Province has formed a team of special constables (Community Safety Unit) in the Ministry of Public Safety and Solicitor General to investigate unlicensed cannabis retail stores. Illegal cannabis retailers who do not come into compliance, either by obtaining a provincial retail license or by ceasing their operations, may be subject to enforcement action, which can include seizure of product, administrative monetary penalties and/or prosecution. Local bylaw enforcement officers are expected to work in collaboration with the provincial enforcement unit, and continue their work with police forces.

- **Cannabis production:** A July 13th, 2018 regulation change gave authority to local governments to prohibit cement-based, industrial-style, cannabis-production bunkers on ALR land in their communities, while clarifying that cannabis production in the ALR cannot be prohibited if grown lawfully. Local governments can impose zoning restrictions regarding production of cannabis on non-ALR land. Ministry staff is monitoring implementation of bylaws regulating cannabis production on non-ALR land and impacts on the farming industry.
- **Revenue sharing:** The issue of revenue sharing is the responsibility of the Minister of Finance. Cannabis taxation revenue will not contribute significantly to bolstering provincial revenue.
- At the 2018 UBCM Convention, a Special Resolution (SR1) was endorsed that seeks to advance a short- and long-term cannabis excise tax revenue sharing strategy (e.g. to guide negotiation of a provincial-local government cannabis excise tax revenue sharing agreement). The Province is looking to develop greater certainty surrounding expected future costs and revenues for local governments and will continue to collect information at the local government level to assess impacts on communities.
  - The federal and provincial governments kept cannabis taxes low to support the objective of reducing illicit market activity.
  - Cannabis taxation revenues will help the Province manage its priorities for British Columbians, including: protecting children and youth, promoting public health and safety, keeping the criminal element out of cannabis, keeping our roads safe, and supporting economic development.
  - Cannabis taxation revenue will not contribute significantly to bolstering provincial revenue.



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## LOCAL GOVERNMENT – FIRST NATIONS RELATIONS

- Local Government Relations with First Nations

- Our government is committed to true, lasting reconciliation with First Nations in B.C., and is fully adopting and implementing the United Nations Declaration on the Rights of Indigenous Peoples and the Calls to Action of the Truth and Reconciliation Commission.
- We had very successful and engaging discussions with First Nations at the First Nations Leadership Gathering last November in Vancouver. I very much valued hearing first hand from our First Nations Chiefs and Councils on how our governments can work together.
- An important part of our work is encouraging local governments and First Nations to work together to build stronger relationships and to collaborate on matters of mutual interest.
- Critical to this is the MOU between the Union of British Columbia Municipalities and the Ministry of Indigenous Relations and Reconciliation (supported by Municipal Affairs and Housing) which was renewed this past September at UBCM's Annual Convention.
- The MOU affirms the local government role in fostering relationships built on honesty, respect and undertaking reconciliation at the community level.
- We actively encourage local governments to build relationships with Indigenous communities by providing advice and assistance and partnering with other organizations.
- A great example of this is the \$50,000 we contribute annually for the Regional Community to Community (C2C) Forum program which helps local governments and First Nations connect.

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- **The program is also funded by the federal government and is administered by the Union of BC Municipalities and the First Nations Summit.**
- **Over the past 20 years, it has funded over 600 Community to Community events. This has helped local governments and First Nations develop collaborative relationships, leading to a wide range of service agreements and protocols.**
- **While there is more to do, the list of local governments and First Nations improving their relationships continues to grow. UBCM's recent report on the last years of progress from the Regional C2C Program highlights many positive examples. The report is available on UBCM's website.**

### KEY CONSIDERATIONS

- The Ministry of Municipal Affairs and Housing (MAH) provides advice and assistance to encourage local governments to build positive relationships with First Nations.
- While the Province has a constitutional obligation to consult on matters that could adversely affect aboriginal rights and title, local governments do not. However they are encouraged and supported to engage with their First Nation neighbours and ensure a open and engaging relationship.
- Another valuable resource is the C2C program administered by UBCM and the First Nations Summit. This year the Ministry is hoping to contribute \$55,000 to support program funding and the update and re-printing of the program guide (UBCM request was sent to the Ministry on February 5, 2019 and the response is in process).
- Over the past year, based on agreement between partners, the program improved in several ways:
  - UBCM is contributing additional resources to augment Provincial and Federal funding over the next five years;
  - The profile of reconciliation efforts within the C2C program was increased;
  - A new program objective to support C2C events on shared emergency preparedness, response and recovery was created;
  - The eligibility of C2C events was expanded to include meetings between elected officials and/or senior staff; and
- UBCM also reviewed program results achieved over the past decade since 2008 and produced a report. Highlights include:
  - Over 300 events took place between 2008 and 2018.

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- 85 per cent of these events identified relationship building as the primary outcome.
- 45 per cent of events saw advancement of formal agreements between local governments and First Nations, including protocol agreements, MOUs and accords.
- Outcomes related to community well-being, economic development, environmental stewardship and emergency management were reported in a significant number of events
- The Ministry also supports and works with other partner organizations including the Local Government Management Association (LGMA) and the Local Government Leadership Academy (LGLA) to help build relationships between local governments and First Nations. For example, Ministry staff supported the LGLA in developing a specific session on *Local Governments & Indigenous Communities Working Together* as part of the elected officials seminar series held January-February 2019 in five regions across the Province.
- Just a few of the several and ever-expanding examples of local governments and First Nations working positively together include:
  - Powell River Regional District working with the province to change its name to qathet (pronounced KA'thet) using the traditional Tla'amin word (pronounced sly-am-mon) meaning "people working together."
  - Stz'uminus First Nation (pronounced sha-main-us) and Ladysmith coming to agreement in 2018 on a waterfront area plan.
  - Wet'suwet'en First Nation (pronounced wet-so-a-den) and Smithers creating a *Shared Histories* publication about pre and post-colonial life in the Smithers area.
  - Vermillion Forks Community Forest Corporation – an economic development initiative with three equal partners: Similkameen Indian Band, Princeton, and the Regional District of Okanagan Similkameen.
  - Village of Pemberton and the Lil'wat (pronounced lil-watt) Nation joint plan to address substance abuse.
  - Beecher Bay First Nation, District of Metchosin and City of Langford land and revenue sharing partnership.

**Cross Reference:** Governance and Structure Branch – Community to Community Forum (C2C) Program

**CONTACT:** Brent Mueller, Director, Governance and Structure, 778 398-3220



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## 2019/20 Estimates Note

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## LOCAL GOVERNMENT ELECTIONS - MONITORING

### ISSUE

- Ministry staff are monitoring the experiences of the 2018 general local elections to determine if any issues need to be addressed for future elections. Staff will also use the Elections BC report on the 2018 elections when it is made available (anticipated fall 2019).

### RECOMMENDED RESPONSE

- **Ministry staff continue to monitor election administration and education issues, as well as campaign financing issues, raised during the 2018 general local elections.**
- **Monitoring the experiences of the elections will help determine if any matters need to be addressed for future elections.**

### KEY CONSIDERATIONS

#### Election Administration Monitoring

- Ministry staff are monitoring election administration issues raised during the 2018 general local elections. These issues include:  
s.13; s.14; s.16

#### Campaign Financing Monitoring

- The 2018 general local elections were the first in which the full suite of campaign financing rules applied under the *Local Elections Campaign Financing Act* (including expense limits, bans on corporate donations and contribution limits).
- Ministry staff are monitoring campaign financing issues raised during these elections to help determine if any matters need to be addressed for future elections (e.g. monitoring media sources; reviewing disclosure statements).





## HOUSING NEEDS REPORTS

### ISSUE

- The Province is working closely with local government to increase housing supply, choice and affordability, including through new tools, such as housing needs reports

### RECOMMENDED RESPONSE

- **Local governments are key partners in addressing the housing crisis due to their role in planning, land use, and development approvals.**
- **Housing needs reports play a critical role in developing a better understanding of local housing needs.**
- **New legislation will require that all local governments undertake such reports every five years.**
- **We are committed to supporting local governments as they work to meet these new requirements, through funding, guidance material, and data provision.**
- **We will notify local governments when the new requirements are brought into force.**

### KEY CONSIDERATIONS

- The *Local Government Statutes (Housing Needs Reports) Amendment Act* (Act) received Royal Assent on May 17, 2018. It amends the *Local Government Act* and *Vancouver Charter* to require local governments (LGs), at least every five years, to collect information, use it to prepare a report on local housing needs and publish the report online.
- To take effect, the legislation needs to be brought into force by regulation of the Lieutenant Governor in Council. Ministry staff are drafting regulations that will specify what information must be collected by LGs, the format and content of the reports, and other matters. These are expected to be completed by spring 2019.
- Budget 2018 provided \$5 million over three years for a program to assist LGs to develop housing needs reports. UBCM will administer this program. The first round of funding is expected to open in spring 2019.



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Date: January 31, 2019

- Ministry staff are also developing companion guidance material for LGs. Work is also underway, in partnership with data providers, to make readily available most of the data that LGs would need to analyze local housing needs.

**CONTACT:** Tara Faganello, ADM, Local Government Division, 250 356-6575





## 2019/20 Estimates Note

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Date: February 1, 2019

### KEY CONSIDERATIONS

- On December 5, 2018 the B.C. government released CleanBC, aimed at reducing climate pollution, while creating more jobs and economic opportunities for people, businesses and communities.
- As part of this, through the Investing in Canada Infrastructure Program - CleanBC Communities Fund the provincial and federal governments are investing \$63 million to help local governments and Indigenous communities develop community infrastructure projects that reduce greenhouse gas emissions using clean or renewable energy or that improve energy efficiency. Program intake opened in December 2018 with a March 27, 2019 deadline.
- The actions outlined to date will put B.C. about 75 per cent of the way to reaching the 2030 targets. The plan also commits Government to finding additional ways to achieve the remaining 25 per cent GHG reductions required to reach the 2030 targets.

○ s.12; s.13; s.16

○

**CONTACT:** Tara Faganello, ADM, Local Government Division, 250 356-6575





### NORTH COAST REGIONAL DISTRICT OCP

#### ISSUE

- Ministry staff is consulting with First Nations on the North Coast Regional District's official community plan (OCP), which requires ministerial approval before it can be adopted

#### RECOMMENDED RESPONSE

- **As a result of a Ministerial Order issued in early 2017, the North Coast Regional District's official community plan requires my approval before it can be adopted by bylaw.**
- **Ministry staff is currently consulting on the official community plan with First Nations in the area. Staff is also working with the regional district to keep them informed of the process.**
- **Government is committed to ensuring meaningful consultation with First Nations and this can take some time in as vast and complex area as is covered by the official community plan.**
- **I would like to acknowledge the importance of the proposed official community plan to the regional district, and I look forward to considering it for approval once consultation is complete.**

#### KEY CONSIDERATIONS

- In February 2017 a Ministerial Order was issued under section 585 of the *Local Government Act* requiring the Minister to approve the North Coast Regional District's (NCRD) official community plan (OCP) before it can be adopted by bylaw.
- s.13; s.16
- The requirement for Ministerial approval triggered a Provincial duty to consult with the six area First Nations.
- s.13; s.16
-





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Date: February 2, 2019

s.16



**CONTACT:** Tara Faganello, ADM, Planning and Land Use Management Branch, 250 356-6575



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Date: March 29, 2019

**and monitors the tax, the City has the opportunity to consider the impacts of the tax and the authority to make changes to its bylaw if needed.**

*If asked about the Provincial Speculation and Vacancy Tax...*

- **The speculation and vacancy tax is a provincial tax. The vacancy tax imposed by the City of Vancouver is a local taxation authority created in the Vancouver Charter and specific to Vancouver. The speculation and vacancy tax is the responsibility of my colleague, the Honourable Carole James, Minister of Finance.**

### KEY CONSIDERATIONS

- In July 2016, in response to a request from the City of Vancouver, the Province introduced amendments to the *Vancouver Charter* enabling Vancouver to impose a tax on unoccupied residential properties. The enabling amendments provide Vancouver with full authority to design and implement the tax without involvement from the Province, including defining vacant property, identifying exemptions, providing for a complaint/appeal process, establishing all administrative requirements and preparing an annual summary report of the program for the public. Revenue from the Empty Homes Tax is restricted to use for affordable housing initiatives.
- Vancouver's Empty Homes Tax has been in effect from the 2017 tax year forward, and in 2018 and 2019 all property taxpayers were required to make a vacancy status declaration in respect of the preceding tax year. Under the tax, properties that are occupied for any six (non-consecutive) months within each tax year are not subject to the tax, provided each period of occupation is 30 days or longer, or otherwise if an exemption is applicable. The revenue generated from the 2017 tax year was \$38 million. Of this, \$10 million is allocated to cover implementation costs, with the remainder going to initiatives for affordable housing (e.g. support for vulnerable renters, improving conditions in Single Room Occupancy housing).
- Vancouver consulted extensively in designing the tax and has continued with multi-faceted communications to help property owners understand their obligations in relation to the tax.
- A number of concerns have been raised with the tax (e.g., that a tax to support affordable housing initiatives should be spread evenly over the entire property tax base and not borne by a select group of property holders). The key concern voiced most often has been from property owners who reside in their Vancouver

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Date: March 29, 2019

properties part-time, but are below the time threshold for principal residency as defined under the bylaw. The 6-month/30 day occupancy threshold is perceived by some to be too stringent – for example, by property-owners who commute to Vancouver for regular but part time employment. Other persons in this category are retired former residents of Vancouver who maintain a second home to facilitate frequent visits for family and health reasons. This issue has been the subject of media attention and could result in potential litigation.

- In 2018, the City of Vancouver amended the bylaw implementing the tax. The amendments focused on narrowing certain exemptions to the Empty Homes Tax. These amendments were in response to audits of the 2017 Empty Homes Tax declarations and concerns from City staff that the tax exemptions were interpreted in a manner inconsistent with the intent of the bylaw. For example, the full-time work exemption provides an exemption for a property that is not the principal residence of the registered owner if it is occupied by the registered owner for a minimum of 180 days because the owner worked in Vancouver. This exemption was amended to clarify that the registered owner's principal residence must be outside of "Greater Vancouver".
- In February 2019, Vancouver approved a number of amendments to the Empty Homes Tax bylaw. The amendments focus on further narrowing exemptions to the tax, in addition to aligning the tax with the Provincial speculation and vacancy tax (see below). City staff will also review some exemptions, definitions, and the tax rate; engage in public consultation on these matters; and then return to Council with recommendations in fall 2019.
- Only the City of Vancouver has been provided the authority to implement a vacancy tax. A number of other local governments requested similar authority when Vancouver's authority was initially provided in 2016. More recently, in January 2019, the City of Victoria passed a resolution requesting authority for a surtax on vacant residential properties for the purpose of encouraging property owners to add their buildings to rental stock in the city. Victoria also flagged using such a tax to encourage maintenance and address public safety concerns regarding derelict buildings. Victoria intends to bring this resolution forward to the Association of Vancouver Island and Coastal Communities' 2019 Annual Convention and ultimately to the 2019 UBCM Convention.
- In 2018, Resolution A3 at the UBCM convention was endorsed, requesting consideration of extending the Provincial speculation and vacancy tax authority to local governments --- which could be interpreted as indirectly asking for authority similar to the City of Vancouver's vacancy tax authority.
- The Province is observing the implementation and impacts in Vancouver before considering any extension of the local vacancy tax authority or a similar tax.



## NORTHERN CAPITAL AND PLANNING GRANT

### ISSUE

- The Province is providing a one-time \$100 million Northern Capital and Planning Grant to twenty-six northern local governments for strategic planning and capital spending. The \$100M will be paid from the 2018/19 Contingencies Vote.

### RECOMMENDED RESPONSE

- **For too long, communities – especially smaller and rural ones – have been ignored and are challenged with carrying the burden of aging infrastructure.**
- **Over the last two years, the Province has been hearing from communities about the need for infrastructure funding to get ready for emerging development.**
- **To help communities prepare, we are providing a one-time investment of \$100 million to the four regional districts along the liquid natural gas corridor and within a 70 kilometre catchment area of the Kitimat liquid natural gas facility.**
- **This grant will help small northern communities see their fair share of economic benefits and meet their infrastructure and planning needs.**

### KEY CONSIDERATIONS

- In 2017, the Northwest Resource Benefits Alliance (RBA) released a report titled “Fair Revenue Sharing for Northwest BC”. The RBA represents three regional districts (North Coast, Bulkley Nechako, and Kitimat Stikine) and 18 member municipalities located within those three regional districts.
- Throughout 2017 and 2018 staff from the Ministry of Finance and the Ministry of Municipal Affairs and Housing met with representatives from the RBA regarding the region’s interest in potential provincial financial support for Northwest BC.
- In October 2018, LNG Canada made a final investment decision to build a liquid natural gas facility in Kitimat. In order to supply this facility with gas from Northeast BC, the Coastal Gaslink will be building a 670 kilometres of natural gas pipeline. There are four regional districts that either lie along this pipeline corridor (or within a catchment area of the LNG Canada facility in Kitimat).



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- The allocation of \$100 million in funds is designed to favour smaller communities which lack a strong commercial and industrial tax base.

**Attachment:** Appendix 1 – Proposed Allocation of the \$100 Million Northern Capital and Planning Grant

**CONTACT:** Tara Faganello, ADM, Local Government Division, 250 356-6575

Honourable Selina Robinson

Date: February 20, 2019

## Appendix 1 – Proposed Allocation of the \$100 Million Northern Capital and Planning Grant

Regional District	Total Funding
Bulkley-Nechako	\$5,800,000
Fraser-Fort George	\$4,182,000
Kitimat-Stikine	\$4,640,000
North Coast	\$1,712,000

<b>Total Regional District Funding</b>	<b>\$16,334,000</b>
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Municipalities	Total Funding
Burns Lake	\$3,439,000
Fort St. James	\$3,342,000
Fraser Lake	\$2,607,000
Granisle	\$2,353,000
Hazelton	\$2,148,000
Houston	\$4,486,000
Kitimat*	\$1,556,000
Mackenzie	\$4,727,000
Masset	\$2,753,000
McBride	\$2,389,000
New Hazelton	\$2,580,000
Port Clements	\$2,085,000
Port Edward	\$2,098,000
Prince George	\$8,135,000
Prince Rupert	\$8,121,000
Queen Charlottle	\$2,935,000
Smithers	\$6,218,000
Stewart	\$1,294,000
Telkwa	\$3,590,000
Terrace	\$8,197,000
Valemount	\$2,882,000
Vanderhoof	\$5,731,000

<b>Total Municipal Funding</b>	<b>\$83,666,000</b>
<b>Total Regional District Funding</b>	<b>\$16,334,000</b>
<b>TOTAL FUNDING</b>	<b>\$100,000,000</b>

\* The District of Kitimat and LNG Canada signed a 10-year tax agreement worth over \$60 million to the municipality. Thus, the proposed allocation under this program will





## PEACE RIVER AGREEMENT

### ISSUE

- To mitigate budgetary pressures in 2020/21, the Province will be paying the 2020/21 annual Peace River Agreement payment in fiscal year 2019/20.

### RECOMMENDED RESPONSE

- **The Peace River Agreement gives local governments in the northeast region \$1.1 billion over a 20-year period that supports regional priorities.**
- **The Peace River Agreement provides up to \$50 million per year (with a 2 per cent inflator commencing in 2020) to be apportioned to the eight local governments.**
- **For 2019/20, the Province has decided to provide a one-time acceleration of funding under the Peace River Agreement so that local governments will receive their 2020/21 annual payments in fiscal year 2019/20.**
- **Budget 2019 provides an opportunity to adjust the timing of the 2020 grant payment for the Peace River Agreement, while still meeting the terms of the agreement, and as such the government is considering making the \$51million, 2020 payment in 2019.**
- **This is subject to the local governments continuing to meet the existing eligibility requirements of the agreement.**

### KEY CONSIDERATIONS

- In 2015, the Province and the eight local governments in the Peace River region signed the Peace River Agreement (PRA), which is a 20 year, \$1.1 billion provincial funding agreement for municipal infrastructure, planning and services to support industrial development in the region, including support for workers in the industry and their families.
- The PRA provides up to \$50 million per year (with a 2 per cent inflator commencing in 2020) to be apportioned to the eight local governments based on an allocation formula set out in the PRA. Each of the eight local governments is eligible for their maximum allocated amount, subject to provincial review and approval of an annual submission package.



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- Under the terms of the PRA, the submission package for each local government is due to the Province by January 31 of each year.
- In accordance with the Peace River Agreement, the Assistant Deputy Minister for Local Government must either approve or wholly or partly withhold payments to the eight Peace River local governments based on a staff review of annual submissions from each of these local governments. The PRA stipulates that the annual funding decision must be announced to the local governments by April 7 and paid by April 30 of each year.
- s.13; s.17

**CONTACT:** Tara Faganello, ADM, Local Government Division, 250 356-6575





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Date: January 31, 2019

### KEY CONSIDERATIONS

- The *Local Government Statutes (Residential Rental Tenure Zoning), Amendment Act, 2018* received Royal Assent on May 31, 2018. It amended the *Local Government Act* and *Vancouver Charter* to provide local governments with a new authority to zone for rental tenure (i.e. rental housing).
- These changes aim to give local governments greater ability to preserve and increase rental housing supply and increase housing choice and affordability.
- MAH staff are closely monitoring this new tool to ensure it is performing as intended. Some municipalities have already approved rental zoning bylaws (e.g. Burnaby, Ladysmith, and New Westminster) and others are considering it (e.g. Nanaimo, Victoria and Vancouver) as part of broader strategies to address housing needs in their communities.
- Property owners whose properties are subject to a residential rental zoning bylaw have initiated legal action against the City of New Westminster.

s.13; s.14

**CONTACT:** Tara Faganello, ADM, Local Government Division, 250 356-6575





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- A priority of the working group has been to develop a code of conduct framework in phases, beginning with the content of a “model Code of Conduct”. The working group is now exploring approaches for the broader framework, including how a code of conduct could be enforced and what happens if it is breached.

**CONTACT:** Tara Faganello, ADM, Local Government Division, 250 356-6575

### UEL ACADIA SEWER CONTRACT

#### ISSUE

- UEL budget has increased by \$45 thousand to allow for amortization of a major infrastructure project. That project has been interrupted by the bankruptcy of the contractor.

#### RECOMMENDED RESPONSE

- **University Endowment Lands is a program of the Ministry of Municipal Affairs and Housing that provides municipal-like services to residents in the community.**
- **Like municipalities, major infrastructure projects are capitalized. The budget increase covers the amortization of that work.**
- **The work will be completed under the terms of the contract and through provisions of the performance bond, however there will be a delay while required legal steps are followed.**

#### KEY CONSIDERATIONS

- The project -- new sanitary and storm sewers and a water line along Acadia Road in the UEL -- is currently stalled, aggravating residents in the area.
- Funding for this work was approved by Treasury Board in 2018 and subsequently tendered and contracted through the provincial procurement process.
- The contractor has abandoned the work and is declaring bankruptcy.
- The contract has a performance bond and the bonding agency has been notified.
- There are a series of legal steps that must be taken to ensure the work is completed. There are decision points by the bonding agency that will take time to resolve before the work can restart.
- The UEL Administration will ensure public safety and service delivery continue while working with legal counsel to complete the project.
- Residents will be provided with further updates once a new work schedule is established.

**CONTACT:** Jonn Braman, Manager, University Endowment Lands, 604 660-1810 ex 28