

OFFICE OF HOUSING AND CONSTRUCTION STANDARDS

INFORMATION NOTE

DATE: March 11, 2016

PREPARED FOR: Honourable Rich Coleman, Minister

ISSUE: Climate Leadership Plan Engagement

BACKGROUND:

- The Office of Housing and Construction Standards (OHCS) is leading or supporting several processes to inform the development of the Province's Climate Leadership Plan (CLP), which is anticipated to be released in spring 2016.
- OHCS is currently leading an inter-ministry engagement process on the built environment section of the CLP. Three well attended meetings have taken place since the end of January, with a close-out webinar planned for March 17.
- We are also supporting the Ministry of Community, Sport and Cultural Development in its engagement with local governments on the recommendations of the Climate Leadership Team, released in November 2015.
- The Assistant Deputy Minister's Office is also active in the CLP discussions in the CLP ADM Committee.

DISCUSSION:

- Since its launch at the end of January 2016, the engagement process has obtained feedback from a broad cross-section of local governments and industry groups regarding specific actions to reduce greenhouse gas emissions from buildings. Participants represent:
 - First Nations;
 - the Union of British Columbia Municipalities, the Local Government Management Association, and individual local governments;
 - equipment manufacturers and trade associations;
 - construction and development industry;
 - building owners, managers and operators;
 - professional associations;
 - warranty and insurance providers;
 - crown corporations; and
 - non-governmental organizations.
- Discussions at the second and third meetings centred on specific actions, originating both internal and external to governments, to reduce GHG emissions and transition to a low-carbon built environment.

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- Meeting 2 consisted of facilitated breakout groups discussing specific actions at different phases of the development arc:
 - pre-construction and planning;
 - construction and equipment; and
 - maintenance and use.
- Meeting 3 consisted of facilitated breakout groups discussing opportunities and challenges, and pre-conditions for success for stakeholders on specific actions for to both new and existing buildings.
- In addition to feedback obtained at the meetings, we continue to receive submissions from participants directly.
- In addition to leading its own engagement sessions, we are supporting the Ministry of Community, Sport, and Cultural Development's CLP engagement process. The format of the meetings is a step-by-step review with local governments of the Climate Leadership Team's recommendations. Staff is present during six two-hour webinars to respond to building related questions and comments. To date, there have been few questions pertaining to buildings.

Overview of Feedback

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CLP Assistant Deputy Ministers' Committee

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CONCLUSION:

- The OHCS stakeholder engagement process will conclude on March 17, 2016. The BSSB continues to analyze feedback and is preparing a final report by the end of March that details actions, opportunities, challenges and resistance, and timelines.
- OHCS continues to provide materials for discussion to the ADM Committee.

Enclosures/Attachments

Appendix 1 - Input to ADM Committee on Climate Leadership Plan

<u>Prepared by:</u>	<u>Reviewed by:</u>	<u>Initial</u>	<u>Date</u>
Cimarron Corpé Senior Policy Analyst 250 208-0242	Lee Nicol A/Director, Policy and Code Development Building and Safety Standards Branch	LN	March 11/16
	Jarrett Hutchinson A/Executive Director Building and Safety Standards Branch		
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MINISTRY OF NATURAL GAS DEVELOPMENT

BRIEFING NOTE FOR INFORMATION

I PREPARED FOR: Honourable, Minister Mike de Jong, Minister of Finance

II ISSUE: Meeting with Petronas

III KEY MESSAGES:

- Pacific NorthWest Liquid Natural Gas's (LNG) anticipated total investment of \$36 billion in B.C. is of great importance to B.C. and Canada, creating new jobs and securing economic growth. It would be the largest capital investment in B.C.'s history.
- B.C. is working closely with the Canadian federal government to ensure they understand Pacific NorthWest LNG's final investment decision is contingent on a federal environmental assessment decision. The federal government has indicated that they support a timely decision on this matter.
- On February 10, 2016, Canadian Environmental Assessment Agency (CEAA) issued their draft report for public comment ending on March 11, 2016. Over 1400 public comments in favour of the project have been submitted.
- It is anticipated that a federal decision will be made before the end of April 2016.
- B.C. and Pacific NorthWest LNG continue productive engagements with Tsimshian Nations – Lax Kw'alaams, Metlakatla, Gitxaala, Kitsumkalum, Kitselas and Gitga'at First Nations – helping them understand the science in the CEAA report and to communicate that information in the community.
- B.C. will continue to work with First Nations to garner support for LNG development across the entire value chain and ensure they understand and realize the social, environmental and economic benefits.

IV BACKGROUND:

Company Overview

- PETRONAS, short for Petroliaam Nasional Berhad, is a Malaysian oil and gas company that was founded on August 17, 1974 and wholly owned by the Government of Malaysia.
- Since its incorporation, PETRONAS has grown to be an integrated oil and gas company with business interests in 35 countries.
- According to Bloomberg (February 9, 2015), PETRONAS contributed about 30 percent of the government's 225 billion ringgit (\$63 billion) revenue in 2014, which included a 29 billion ringgit dividend from PETRONAS.

Proposed Project: Pacific NorthWest LNG

- PETRONAS (62%), JAPEX (10%), PetroleumBRUNEI (3%), Indian Oil (10%), Sinopec (10%), Huadian (5%) are proposing to build the Pacific NorthWest LNG facility in Port Edward.
- At full build-out this facility will export 18 million tonnes of LNG per annum. It is anticipated that the facility would be an \$11 billion (USD) investment initially, with the potential for investment to reach \$36 billion. This will result in up to 4,500 jobs at peak construction and up to 520 jobs during operation.
- The pipeline is expected to create an investment of \$5 billion (8,570 person years of direct jobs for construction or 2,140 person years per year over 4 years, 23 permanent field positions (direct employment) for operations & maintenance).
- Upstream investment will involve several billion dollars throughout the life of the LNG project, providing natural gas supply to the facility.

Regulatory Progress – Environmental Assessment and Permitting

- A provincial Environmental Assessment Certificate was granted to Pacific Northwest LNG on November 25, 2014. Eight conditions were applied to the certificate.
- CEAA's draft environmental assessment report is out for a 30 day public review period ending on March 11, 2016.
- The draft environmental assessment report concluded that there were significant adverse effects to harbour porpoises and related to greenhouse gas emissions (GHG) (which include the upstream analysis).
- On March 4, 2016, PNW LNG provided CEAA with a response to the draft report. PNW made a number of recommendations for edits to the document with particular focus on the following: harbour porpoises; GHG emissions; proponent's proposed mitigation measures; Aboriginal consultations; and revisions to 18 of the proposed conditions.
- Federal agencies have until March 14, 2016 to respond to PNW LNG's comments.
- The 365 day timeline for a decision by the federal minister for Environment and Climate Change Canada is required by March 22, 2016. If the minister determines there are significant adverse effects the decision is referred to the federal Cabinet. A federal Cabinet decision is anticipated before the end of April 2016.

First Nations

- The B.C. Government, the federal government, the Lax Kw'alaams and other Tsimshian First Nations and Pacific NorthWest LNG all share a common goal to increase economic development in the region – and we all agree this can and must be done in a way that protects the marine environment and fish habitat.
- The environmental assessment certificate issued by B.C. has a number of conditions responding to the Lax Kw'alaams concerns. In addition, a number of significant changes (new bridge and reconfiguration of the proposed jetty for a new terminal) were made to the project that responded to matters that were being reviewed in the provincial environmental assessment.

- In July of last year, five Tsimshian Nations came together to form the Tsimshian Environmental Stewardship Authority (TESA) to:
 - Work on common environmental stewardship issues
 - Give more capacity Tsimshian First Nations to ensure the environment is protected
- The province is working with the Lax Kw'alaams and other Tsimshian First Nations on a potential environmental monitoring committee that would oversee environmental safeguards i.e. implementation of federal and provincial EA conditions.
- The province is continuing its benefit negotiations with the Lax Kw'alaams.

REVIEWED BY:

Brian Hansen, ADM ✓

APPROVED BY:

Dave Nikolejsin, DM ✓

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DECISION NOTE

DATE: February 11, 2016

PREPARED FOR: Honourable Rich Coleman, Minister

ISSUE: Tenancy protections for floating home owners

BACKGROUND:

The Floating Home Association Pacific has requested protection under the *Manufactured Home Park Tenancy Act* (MHPTA) for floating home owners.

There are approximately 430 floating homes in 35 floating home communities in British Columbia. Currently, Residential Tenancy Branch (RTB) arbitrators decide, on a case-by-case basis, if the Branch has jurisdiction over an application involving a floating home. Most floating home agreements are licenses to occupy, rather than tenancy agreements, thus they do not fall within the jurisdiction of the RTB.

Floating home owners and marinas can currently seek resolution of disputes through the courts. Resolution will also be available through the new Civil Resolution Tribunal once it becomes operational.

Since 2010, the RTB has received four applications for dispute resolution from owners of floating homes. Arbitrators determined that none of these applications were within the jurisdiction of the RTB.

DISCUSSION:

The Floating Home Association Pacific is seeking both tenancy protections and access to dispute resolution through the RTB. They have raised a number of concerns about their contract terms that allow marina owners to:

- pass annual operating costs through to floating home owners;
- require deposits to enter into or maintain an agreement with a marina; and
- levy unregulated fee increases.

Floating Home Association Position

The Floating Home Association-Pacific contends that the Act is applicable to floating homes and that the Residential Tenancy Branch has interpreted definitions within the Act more narrowly than the legislature intended. The Floating Home Association-Pacific submits that as floating home owners they are responsible for paying the same tax rates

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as manufactured home and residential property owners, and deserve equal treatment and protection under the law.

Marina Owners Position

A marina owner representing 19 other marinas contends that the Act is not applicable because the distinct circumstances of operating a marina and mooring floating homes do not parallel those of operating a manufactured home park. Marinas have unique operating costs associated with aquatic environments including the costs of sediment removal, spot bottom levelling and tow boat operation and maintenance.

The marina owner posits that any change to the current model for marinas could result in a decrease the number of moorage sights. This would reduce the availability of affordable floating home moorage.

RTB Position

The RTB's legal and policy interpretation is that the Act can be applied to a contract between two parties **only if** the relationship involves:

- a tenancy agreement;
- a manufactured home site; and,
- a manufactured home park as defined in the Act

A review of a number of floating home agreements indicates that:

- Floating home agreements are often licenses to occupy, as opposed to tenancy agreements as defined in the Act.
- Floating home owners do not routinely obtain possession of a discernible "site"; rather, their agreements may include a very basic sketch or berth assignment, with no reliable measurements.
- Additionally, many agreements between floating home owners and marinas include a term that allows the marina to oblige the floating home owner to move the floating home to another spot in the marina. This right is inconsistent with the concept of possession of a unit or the principle of quiet enjoyment.

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