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MINISTRY OF MUNICIPAL AFFAIRS

1. Significant changes in 2024/25

Question: What were the significant budget changes in 2024/25 compared to 2023/24?

Response:

Municipal Affairs saw an increase of \$18.84M to base budget in 2024/25 compared to 2023/24 (See Tab 01 – 2023-24 Estimates Summary). The changes are as follows:

- \$12.91M increase for Settlement Support for Newcomers
- \$4.61M increase to Shared Recovery Mandate
- \$1.84M increase due to transfer of Housing Resources
- \$1.32M increase to the University Endowment Lands Special Account for administration expenses and offsetting recovery due to an increase in revenues in the UEL
- \$1.08M increase for Peace River Agreement
- \$2.92M decrease due to the 2023/24 completion of the Bulkley Nechako / Kitimat Stikine Regional District grants

Ministry of Municipal Affairs

2024/25 Estimates Summary

MINISTRY ESTIMATES BUDGET OVERVIEW

Ministry Operations Vote 40
2024/25 Estimate Budget: \$288.305M (a net increase of \$18.843M from Estimates 2023/24 of \$269.462M)

The net increase is due to:

- \$12.913M increase to Settlement Support for Newcomers
- \$4.611M increase to Shared Recovery Mandate
- \$1.838M increase due to transfer of Housing Resources
- \$1.317M increase to University Endowment Lands Special Account
- \$1.083 increase for Peace River Agreement
- \$1k increase to Provincial Nominee Program due to creation of new sub sub-vote in Estimates

This is offset due to a decrease in the following:

- \$2.92M decrease due to the 2023/24 completion of the Bulkley Nechako / Kitimat Stikine Regional District grants

CORE BUSINESS SUMMARY

Local Government Division \$222.432M

- \$222.432M (\$0.587M increase from Estimates 2023/24 of \$221.845M)
 - \$1.782M increase due to transfer of Housing Resources
 - \$1.083M increase for Peace River Agreement
 - \$0.642M increase due to budget lift for Shared Wage Mandate
 - \$2.92M decrease due to the 2023/24 completion of the Bulkley Nechako / Kitimat Stikine Regional District grants

Immigration Services and Strategic Planning \$40.956M

- \$40.956M (\$16.044M increase from Estimates 2023/24 of \$24.912M)
 - \$3.177M increase due to budget lift for Shared Wage Mandate

- \$12.866M increase for Settlement Support for Newcomers
- \$1k increase to Provincial Nominee Program due to creation of new sub sub-vote in Estimates

Executive and Support Services \$10.035M

- Minister's Office
\$693k (No change from Estimates 2023/24 of \$693k)
- Corporate Services
\$9.342M (\$895k increase from Estimates 2023/24 of \$8.447M)
 - \$792k increase due to budget lift for Shared Wage Mandate
 - \$56k increase due to transfer of Housing Resources
 - \$47k increase for Settlement Support for Newcomers

Special Accounts \$14.882M

- University Endowment Lands Administration Account
\$14.882M (\$1.317M increase from Estimates 2023/24 of \$13.565M)
 - \$1.317M increase to the University Endowment Special Account for administration expenses and offsetting recovery due to an increase to revenues in the UEL

Ministry Capital Budget

- \$4.835M (\$4M increase from Estimates 2023/24 of \$835k)
 - \$4M increase to the University Endowment Lands Administration Account



January 15, 2024

Honourable Anne Kang
Minister of Municipal Affairs
Parliament Buildings
Victoria, BC V8V 1X4

Dear Minister Kang:

Thank you for agreeing to serve as Minister of Municipal Affairs. I trust in your leadership at this critical time to deliver results for the people of British Columbia.

British Columbians continue to recover from and respond to the upheaval caused by the COVID-19 pandemic and climate related natural disasters, while global inflation is driving up costs for more households and the world's economic outlook is concerning. Now more than ever, we need to focus on building a secure, low emission, sustainable economy, and a province where everyone can find a good home – whether you live in a rural area, in a city, or in an Indigenous community. We will continue working toward true and meaningful reconciliation by supporting opportunities for Indigenous Peoples to be full partners in the inclusive and sustainable province we are building together.

Our government is committed to delivering on the mandate British Columbians gave us in 2020. Together we can make life better for people in B.C., improve the services we all rely on, and ensure a sustainable province for future generations.

As we renew our work, my priority as Premier is to deliver results that people can see and feel in four key areas:

- **Attainable and affordable housing:** In the wake of soaring prices and record migration to B.C., we will take on the important work of building new homes that are actually attainable for the middle class, while continuing our work to address the housing crisis for those in distress on our streets.

.../2

- **Safer communities:** To address concerns about public safety, both for the people struggling with mental health and addiction on our streets, as well as the feeling that downtown centres are not as safe as they were before the pandemic, we will work with our partners at all levels of government, the justice and health care systems, the non-profit sector, and community leaders to find solutions for this complex challenge facing our province, and work overtime to seize the assets of high-level criminals.
- **Improved health care:** Amid unprecedented pressures we will continue to work to strengthen our public health care system, from family doctors to new hospitals, so care is there for each of us when we need it.
- **A sustainable, clean, secure, and fair economy:** We will continue our work investing in British Columbians, fighting racism and promoting equity, and building a clean economy that addresses our obligations to combat climate change by driving down emissions, while creating good, family supporting jobs.

Municipalities and Regional Districts are vital partners for our government. As the front lines of service delivery, municipal and regional leaders see opportunities and challenges firsthand in their communities and can help our government ensure programs succeed on the ground. From housing, to healthcare, to public safety, to economic development, municipal and regional partners will help us deliver on the priorities of British Columbians.

Many local leaders are seeing fast growth in their cities and towns thanks to record high numbers of people moving to B.C. from other provinces and around the world. Rural and urban communities are facing challenges with delivering the amenities and infrastructure that this growth requires to ensure livability and efficient service delivery.

Our government will work with these local representatives to ensure that we are strong partners in the growth and development of a resilient and prosperous province. By working together, we can achieve our shared aim of building vibrant and healthy communities and a secure province where everyone can find a good home.

Since 2020, our government has made considerable progress on important initiatives including:

- Working with UBCM and local government elected leaders to support communities through the COVID-19 pandemic and to launch the new Strengthening Community Fund.
- Working to bring down the cost of housing for people by streamlining and modernizing development permitting and approvals.

- Supporting economic recovery in B.C. communities through important infrastructure projects.

As you continue to make progress on items in the previous mandate letter, over the remaining period of this mandate I expect you to prioritize making progress on the following:

- Support municipalities to partner with the federal government to maximize benefits for our province's communities from federal government programming, including through coordination with provincial programs.
- Explore options to support fast growing municipalities with funding for infrastructure and community amenities.
- Continue providing strong supports for newcomers to British Columbia with WelcomeBC programs, including the Provincial Nominee Program and settlement services.
- With support from the Minister of Education and Child Care, work with local governments to identify opportunities to increase child care spaces on municipal property.
- With support from the Minister of Finance, continue to work with UBCM to strengthen local government finance systems to ensure local governments and regional districts have the tools they need to remain resilient in the face of economic change.
- Continue working with the Minister of Transportation and Infrastructure to build important infrastructure projects, including through StrongerBC and the Investing in Canada Infrastructure Program.
- Support work led by the Minister of Housing to assist municipalities to accelerate development approvals and ensure sufficient housing for provincial growth through continued implementation of the Development Approvals Process Review and implementation of the Housing Supply Act.
- Support the work of the Minister of Emergency Management and Climate Readiness to co-develop and introduce modernized emergency management legislation.

- Support the Minister of Transportation and Infrastructure and work with the Minister of Housing to implement transit-oriented development to advance sustainable communities along transit corridors to help achieve our housing and affordability goals.
- Work with the Parliamentary Secretary for International Credentials to help ensure B.C. quickly removes barriers so new international arrivals can find employment sooner in their field of training.

Our work together must continue to evolve to meet the changing needs of people in this province. Issues not contemplated by this letter will come forward for government action and I ask you to bring such matters forward for consideration by the Planning and Priorities Committee of Cabinet, with the expectation that any proposed initiatives will be subject to the usual Cabinet and Treasury Board oversight and include measurable outcomes for British Columbians. Your ministry's priorities must reflect our government's overall strategic plan as determined by Cabinet.

British Columbians expect their elected representatives to work together to advance the public good. That means seeking out, fostering, and championing good ideas regardless of their origin. I expect you to reach out to elected members from all parties as you deliver on your mandate. Further, you will build thoughtful and sustained relationships both with title holders and through public and stakeholder engagement plans that incorporate diverse perspectives early in the policy development process. Federal partnerships and resources will be particularly important and, on behalf of our government, you will engage with the federal government on advancing priorities to improve the lives of British Columbians.

As a Cabinet, we will uphold the highest standards of ethics, collaboration, and good conduct in service of the public, and as a Minister of the Crown, you are expected to review, understand, and act according to the Members' Conflict of Interest Act. You will establish a collaborative working relationship with your Deputy Minister, and the public servants under their direction, who provide the professional, non-partisan advice that is fundamental to delivering on our government's priorities. Your Minister's Office must meet the highest standards for integrity and provide a respectful, rewarding environment for all staff.

The rural and urban challenges that we face are urgent and complex. In response, we must be forward-thinking, strategic, and ready to work across disciplines and old divisions in new ways. Labour shortages are a major issue globally, and British Columbia is no exception, including in the public service. Maintaining the BC Public Service as an employer of excellence will be key to retaining and recruiting the diverse professionals we rely on to deliver essential services, advice, and analysis.

At the core of this work is listening and responding to the priorities of people in B.C. Together, we can deliver results in very real ways – ways that people can see, feel, and touch, and that change their lives for the better. Thank you for doing this important work with me.

Sincerely,

A handwritten signature in black ink, appearing to read "David Eby", with a long horizontal flourish extending to the right.

David Eby, KC
Premier



December 7, 2022

Honourable Anne Kang
Minister of Municipal Affairs
Parliament Buildings
Victoria, BC V8V 1X4

Dear Minister Kang:

Thank you for agreeing to serve as Minister of Municipal Affairs. I trust in your leadership at this critical time to deliver results for the people of British Columbia.

British Columbians continue to recover from and respond to the upheaval caused by the COVID-19 pandemic and climate related natural disasters, while global inflation is driving up costs for more households and the world's economic outlook is concerning. Now more than ever, we need to focus on building a secure, low emission, sustainable economy, and a province where everyone can find a good home – whether you live in a rural area, in a city, or in an Indigenous community. We will continue working toward true and meaningful reconciliation by supporting opportunities for Indigenous Peoples to be full partners in the inclusive and sustainable province we are building together.

Our government is committed to delivering on the mandate British Columbians gave us in 2020. Together we can make life better for people in B.C., improve the services we all rely on, and ensure a sustainable province for future generations.

As we renew our work, my priority as Premier is to deliver results that people can see and feel in four key areas:

- **Attainable and affordable housing:** In the wake of soaring prices and record migration to B.C., we will take on the important work of building new homes that are actually attainable for the middle class, while continuing our work to address the housing crisis for those in distress on our streets.

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- **Safer communities:** To address concerns about public safety, both for the people struggling with mental health and addiction on our streets, as well as the feeling that downtown centres are not as safe as they were before the pandemic, we will work with our partners at all levels of government, the justice and health care systems, the non-profit sector, and community leaders to find solutions for this complex challenge facing our province, and work overtime to seize the assets of high-level criminals.
- **Improved health care:** Amid unprecedented pressures we will continue to work to strengthen our public health care system, from family doctors to new hospitals, so care is there for each of us when we need it.
- **A sustainable, clean, secure, and fair economy:** We will continue our work investing in British Columbians, fighting racism and promoting equity, and building a clean economy that addresses our obligations to combat climate change by driving down emissions, while creating good, family supporting jobs.

Municipalities and Regional Districts are vital partners for our government. As the front lines of service delivery, municipal and regional leaders see opportunities and challenges firsthand in their communities and can help our government ensure programs succeed on the ground. From housing, to healthcare, to public safety, to economic development, municipal and regional partners will help us deliver on the priorities of British Columbians.

Many local leaders are seeing fast growth in their cities and towns thanks to record high numbers of people moving to B.C. from other provinces and around the world. Rural and urban communities are facing challenges with delivering the amenities and infrastructure that this growth requires to ensure livability and efficient service delivery.

Our government will work with these local representatives to ensure that we are strong partners in the growth and development of a resilient and prosperous province. By working together, we can achieve our shared aim of building vibrant and healthy communities and a secure province where everyone can find a good home.

Since 2020, our government has made considerable progress on important initiatives including:

- Working with UBCM and local government elected leaders to support communities through the COVID-19 pandemic and to launch the new Strengthening Community Fund.
- Working to bring down the cost of housing for people by streamlining and modernizing development permitting and approvals.

- Supporting economic recovery in B.C. communities through important infrastructure projects.

As you continue to make progress on items in the previous mandate letter, over the remaining period of this mandate I expect you to prioritize making progress on the following:

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- Continue providing strong supports for newcomers to British Columbia with WelcomeBC programs, including the Provincial Nominee Program and settlement services.
- With support from the Minister of Education and Child Care, work with local governments to identify opportunities to increase child care spaces on municipal property.
- With support from the Minister of Finance, continue to work with UBCM to strengthen local government finance systems to ensure local governments and regional districts have the tools they need to remain resilient in the face of economic change.
- Continue working with the Minister of Transportation and Infrastructure to build important infrastructure projects, including through StrongerBC and the Investing in Canada Infrastructure Program.
- Work with the Parliamentary Secretary for the Sustainable Economy and with local governments on district energy proposals, including work to seek federal Net Zero Accelerator Initiative funding.
- Support work led by the Minister of Housing to assist municipalities to accelerate development approvals and ensure sufficient housing for provincial growth through continued implementation of the Development Approvals Process Review and implementation of the Housing Supply Act.
- Support the work of the Minister of Emergency Management and Climate Readiness to co-develop and introduce modernized emergency management legislation.

- Support the Minister of Transportation and Infrastructure and work with the Minister of Housing to implement transit-oriented development to advance sustainable communities along transit corridors to help achieve our housing and affordability goals.
- Support the Minister of State for Workforce Development to help ensure B.C. quickly removes barriers so new international arrivals can find employment sooner in their field of training.

Our work together must continue to evolve to meet the changing needs of people in this province. Issues not contemplated by this letter will come forward for government action and I ask you to bring such matters forward for consideration by the Planning and Priorities Committee of Cabinet, with the expectation that any proposed initiatives will be subject to the usual Cabinet and Treasury Board oversight and include measurable outcomes for British Columbians. Your ministry's priorities must reflect our government's overall strategic plan as determined by Cabinet.

British Columbians expect their elected representatives to work together to advance the public good. That means seeking out, fostering, and championing good ideas regardless of their origin. I expect you to reach out to elected members from all parties as you deliver on your mandate. Further, you will build thoughtful and sustained relationships both with title holders and through public and stakeholder engagement plans that incorporate diverse perspectives early in the policy development process. Federal partnerships and resources will be particularly important and, on behalf of our government, you will engage with the federal government on advancing priorities to improve the lives of British Columbians.

As a Cabinet, we will uphold the highest standards of ethics, collaboration, and good conduct in service of the public, and as a Minister of the Crown, you are expected to review, understand, and act according to the *Members' Conflict of Interest Act*. You will establish a collaborative working relationship with your Deputy Minister, and the public servants under their direction, who provide the professional, non-partisan advice that is fundamental to delivering on our government's priorities. Your Minister's Office must meet the highest standards for integrity and provide a respectful, rewarding environment for all staff.

The rural and urban challenges that we face are urgent and complex. In response, we must be forward-thinking, strategic, and ready to work across disciplines and old divisions in new ways. Labour shortages are a major issue globally, and British Columbia is no exception, including in the public service. Maintaining the BC Public Service as an employer of excellence will be key to retaining and recruiting the diverse professionals we rely on to deliver essential services, advice, and analysis.

At the core of this work is listening and responding to the priorities of people in B.C. Together, we can deliver results in very real ways – ways that people can see, feel, and touch, and that change their lives for the better. Thank you for doing this important work with me.

Sincerely,

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David Eby, KC
Premier

Mandate Commitment Tracker

Minister Anne Kang – Jan 2024 Mandate Letter	Division Lead	Contact	Completed or Underway	Status Description
<p>1. Support municipalities to partner with the federal government to maximize benefits for our province’s communities from federal government programming, including through coordination with provincial programs.</p>	<p>Local Government Division</p>	<p>Brian Bedford 778-698-3232</p>	<p>Underway</p>	<p>Engage in effective negotiations with federal counterparts on two items: 1) to establish the next agreements to ensure continuity of the CCBF from 2024 onward, and 2) engage in discussion with federal government on next iteration of bilateral funding programs.</p> <p>In partnership with the federal government and the Union of British Columbia Municipalities, continue to implement the Canada Community Building Fund that came into effect on April 1, 2014.</p>
<p>2. Explore options to support fast growing municipalities with funding for infrastructure and community amenities.</p>	<p>Local Government Division</p>	<p>Brian Bedford 778-698-3232</p>	<p>Completed</p>	<p>The Growing Communities Fund (GCF) announced on February 10, 2023 provided \$1 billion in direct grants to municipalities and regional districts, which they can use to address their community’s unique infrastructure and amenities demands. Eligible infrastructure projects will be built over 5 years and include recreation facilities, parks and water-treatment plants, as well as other community infrastructure.</p>
<p>3. Continue providing strong supports for newcomers to British Columbia with</p>	<p>Immigration Services and Strategic</p>	<p>Ian Ross 778-698-7733</p>	<p>Underway</p>	<p>BC received the requested increase in the Provincial Nominee Program allocation (8,000 nominations in 2023; notional agreement for</p>

Minister Anne Kang – Jan 2024 Mandate Letter	Division Lead	Contact	Completed or Underway	Status Description
WelcomeBC programs, including the Provincial Nominee Program and settlement services.	Planning Division	Carling Helander Government Financial Information		<p>9,250 in 2024 and 10,000 in 2025). Program policy changes in 2021 enhanced program alignment with key government priorities (caring economy and regional communities).</p> <p>MUNI worked with GCPE on developing multi-lingual content for those "new to B.C." and connecting with government services. The new web site went live January 31, 2023.</p> <p>Budget 2023 included substantial increases in provincial settlement programming (from \$6M/year to \$25.6M/year). The BC Settlement and Integration Services program will be replaced with two new and expanded settlement programs starting April 1, 2024, following a competitive procurement process.</p>
4. With support from the Minister of Education and Child Care, work with local governments to identify opportunities to increase child care spaces on municipal property.	Local Government Division	Tara Faganello 250-356-6575	Underway/ Pending	The Growing Communities Fund includes childcare as an eligible use of the funds as a needed amenity in growing communities. MUNI will work with MECC for further supports needed with local governments.
5. With support from the Minister of Finance, continue to work with UBCM to strengthen local government finance systems to	Local Government Division	Brian Bedford 778-698-3232	Underway	The Ministers of Finance and Municipal Affairs signed a Memorandum of Understanding with UBCM to review the Ensuring Local Government Financial Resiliency: Today's Recovery and

Municipal Affairs Mandate Letter Commitments - Tracker

Minister Anne Kang – Jan 2024 Mandate Letter	Division Lead	Contact	Completed or Underway	Status Description
<p>ensure local governments and regional districts have the tools they need to remain resilient in the face of economic change.</p>				<p>Tomorrow’s New Economy report and recommendations in January 2022. The working group required under the MOU has been established comprised of provincial and UBCM staff, and a 3-year workplan approved by the UBCM Presidents Committee and the Ministers of Finance and Municipal Affairs.</p> <p>The Working Group meets monthly and provides progress updates biannually to the UBCM Presidents Committee and the Ministers of Finance and Municipal Affairs. The next progress update will occur in early 2024.</p>
<p>6. Continue working with the Minister of Transportation and Infrastructure to build important infrastructure projects, including through StrongerBC and the Investing in Canada Infrastructure Program.</p>	<p>Local Government Division</p>	<p>Brian Bedford 778-698-3232</p>	<p>Underway</p>	<p>Completed: Intakes and full allocation for Investing in Canada Infrastructure Program (ICIP) for the following streams:</p> <ul style="list-style-type: none"> • Community, Culture & Recreation • Rural and Northern Communities • COVID-19 Infrastructure Resilience <p>Underway: Announcements expected for final (3rd) intakes for the following ICIP streams:</p> <ul style="list-style-type: none"> • Environmental Quality • CleanBC Communities Fund <p>ICIP is fully allocated by March 31, 2023. Ministry will be monitoring approved projects.</p>

Minister Anne Kang – Jan 2024 Mandate Letter	Division Lead	Contact	Completed or Underway	Status Description
				Final approvals of all but one project completed by end of December 2023.
7. Support work led by the Minister of Housing to assist municipalities to accelerate development approvals and ensure sufficient housing for provincial growth through continued implementation of the Development Approvals Process Review and implementation of the Housing Supply Act.	Local Government Division	Kara Woodward 778-698-3465	Complete/ Underway	Leadership of Development Approvals Process Review transferred to Ministry of Housing in December 2022. MUNI staff continue to support work led by the Ministry of Housing. Specific support has been delivered on Bills 35, 44, 46 and 47. MUNI continues to support HOUS staff on additional legislative proposals led by HOUS as well as related MUNI led changes for Vancouver Charter.
8. Support the work of the Minister of Emergency Management and Climate Readiness to co-develop and introduce modernized emergency management legislation.	Local Government Division	Kara Woodward 778-698-3465	Complete	MUNI is committed to working with the Minister of Emergency Management and Climate Readiness on this important legislation. Ministry staff have been working together throughout the project; the Emergency and Disaster Management Act was passed in Fall 2023.
9. Support the Minister of Transportation and Infrastructure and work with the Minister of Housing to implement transit-oriented development (TOD) to advance sustainable communities along	Immigration Services and Strategic Planning Division	Chris Jensen 778-698-3316	Complete/ Underway	Bill 47, 2023 (Amendments to LGA/VC): Housing Statutes Amendment for Transit Oriented Areas (TOA) supports increased housing supply through the creation of denser, more complete communities around transit hubs.

Municipal Affairs Mandate Letter Commitments - Tracker

Minister Anne Kang – Jan 2024 Mandate Letter	Division Lead	Contact	Completed or Underway	Status Description
<p>transit corridors to help achieve our housing and affordability goals.</p>				<p>The new regulations list 104 TOAs where local governments must designate TOAs by June 30, 2024, which also sets out details such as the minimum allowable density and applicable distance from the stations. In addition, local governments cannot require off-street parking spaces that are related to residential uses within TOAs.</p> <p>The TOD legislation is anticipated to catalyze as many as over 100,00 new additional homes around major public transit hubs across BC by 2034.</p>
<p>10. Work with the Parliamentary Secretary for International Credentials to help ensure B.C. quickly removes barriers so new international arrivals can find employment sooner in their field of training.</p>	<p>Immigration Services and Strategic Planning Division</p>	<p>Carling Helander Government Financial Information</p>	<p>Underway</p>	<p>In 2023, MUNI expanded client eligibility for the Career Paths program and undertook marketing to raise awareness of the program. Client intake is robust and client outcomes remain strong. Ongoing collaboration is occurring with Immigration, Refugees and Citizenship Canada to improve pre-arrival information and better align immigration selection criteria with professional regulation requirements.</p>

MINISTRY RESPONSE TO RECONCILIATION

ISSUE

- Ministry's Declaration on the Rights of Indigenous Peoples Act (Declaration Act) Commitments

RECOMMENDED RESPONSE

- **We are working with Indigenous peoples to put into action the principles of the *Declaration on the Rights of Indigenous Peoples Act* (Declaration Act).**
- **Continuing to encourage strong relationships between Indigenous Nations and local governments is a fundamental aspect of the *Declaration Act* and achieving lasting reconciliation with Indigenous peoples.**
- **My Ministry is embracing the principles, building capacity, and competency, with staff seizing the opportunities for learning and development.**
- **Each year, my Ministry delivers capital infrastructure grants to local and First Nation governments (First Nation governments have been eligible since 2018) and gaming grants to community groups (including Indigenous organizations).**
- **Through the *Declaration Act* Action Plan, my Ministry has committed to supporting inclusive regional governance and reviewing local processes that guide the naming of local governments.**
- **We are supporting local governments to develop even stronger relationships with Indigenous Nations to create a B.C. where everyone feels comfortable in their communities.**

If asked about what the province is doing to support the re-naming of local governments

- **Local government names that are associated with Canada's colonial past can be a devastating reminder of the mistreatment of Indigenous peoples.**
- **In cases where local governments and Indigenous neighbours want to pursue change or restoration, Ministry staff will provide guidance and support to develop processes to emphasize collaboration between local governments and First Nations, as well as fulsome engagement with area residents.**

If asked about the options, the ministry is exploring to include Indigenous representation on regional boards

- **We know there is a strong and growing interest from regional districts and First Nations for representation of First Nations governments on regional district boards.**
- **We are working on this. While that work is underway, we encourage other regions to learn from successful collaborations between First Nations and regional districts in places like the Capital Regional District and Central Okanagan Regional District.**
- **Opportunities may also exist for First Nations' representatives to:**
 - **Participate on boards and committees in an advisory role.**
 - **Enter into agreements and protocols on matters such as land use, reconciliation, or economic development.**
 - **Hold regional forums and other events to encourage collaborative discussion, such as Community to Community Forums.**

If asked why First Nations are not eligible for the Growing Communities Fund (to be updated)

- I've reached out to all Mayors, Chairs and CAOs to encourage local governments to work closely with adjacent local First Nations, because we know that we all have roles in implementing the *Declaration on the Rights of Indigenous Peoples Act*, and we work better when we work together.
- We know some of the Modern Treaty First Nations sit at their respective Regional District board table and participate in decision-making, while other First Nations contribute through advisory committees, helping make decisions about how this money should be spent.
- We also made the conscious decision to make eligible local government projects that service, directly or indirectly, neighbouring First Nations communities.
- We know this for certain: Communities across B.C. are growing quickly (including First Nations communities), creating accelerated demands on infrastructure and amenities. We cannot do it alone, we must work together.

If pressed about why funding wasn't provided to First Nations

- The *Local Government Grants Act* provides authority to the Ministry to make direct grants transfer only to local governments (i.e. municipalities and regional districts).
- Indigenous peoples and communities access and benefit directly and indirectly from local government infrastructure and amenities especially where they are in close proximity.
- In many cases, service agreements are routinely established so Indigenous peoples can access local government services.
- The province has co-developed with Indigenous Peoples a new distinctions-based fiscal frameworks for resource revenue sharing. This work is being led by the Ministry of

Indigenous Relations and Reconciliation and Ministry of Finance.

KEY FACTS

- In 2019, the province passed the *Declaration Act* to establish a clear framework for moving reconciliation forward. This includes exploring new ways to strengthen government-to-government relationships and work together on good governance at the community level.
- In that same year, Canada and British Columbia agreed to expand eligibility of specific infrastructure grant programs under the Investing in Canada Infrastructure Program (see Estimates Note #20).
- The Ministry of Municipal Affairs has two commitments in the *Declaration Act* Action Plan:
 - 1) Review the principles and processes that guide the naming of municipalities and regional districts, and evolve practices to foster reconciliation in local processes; and
 - 2) Support inclusive regional governance by advancing First Nations participation in regional district boards.
- Ministry staff are working on actions to support both commitments, including researching existing governance systems of regional and First Nations governments, engaging with Indigenous peoples and other interested parties, initiating projects, and sharing lessons learned to decide if legislative changes are needed, as well as providing funding to some local governments.

Re-Naming Local Governments

- Ministry staff are working to support local governments and First Nations to find new practices for community collaboration and engagement to create greater social cohesion for all residents.
- Collaboration between local governments and First Nations, and engagement with area residents to build support for a name change, is critical to the process prior to the local governments seeking a decision from the province.
- In 2022, Ministry staff worked with the former Village of Queen Charlotte, and the Haida Nation, to restore an ancestral name by changing the municipality's name to the Village of Daajing Giids (Cabinet decision July 2022).
- Staff were also working with the City of Powell River and the Tla'amin Nation who formed a joint working group that produced an interim report after engaging with the community. That work is on hold as the new City Council (coming out of the 2022 local elections) determines its priorities and workplan moving forward.
- The province provided both communities funding (\$25,000 to Powell River and \$15,000 to Queen Charlotte) to support engagement with residents regarding possible name changes. Powell River and Tla'amin Nation had offered to be a

pilot to demonstrate a collaborative and inclusive local approach the Ministry can then encourage in other communities to support the Declaration Act commitment. Engagement with Powell River staff is underway to determine if the new Council wants to continue.

Indigenous Representation on Regional Boards

- The ministry is working to develop a path forward on including First Nations on regional district boards, including working with other provincial and federal staff, and engaging a First Nations consultants group, to understand how the governance of non-treaty First Nations aligns with the regional district system and what gaps or challenges may exist.
- The Ministry is also providing study grants to some regional districts that have expressed an interest understanding how First Nations can become members of the regional district. For additional information about Indigenous Nations that have access to representation on regional district boards, see **Appendix 1**.
- There are examples of local governments and Indigenous Nations building relationships that support Indigenous Nations' participation in local government. For example, the Capital Regional District's standing committee includes representation from Indigenous Nations on a rotating basis in an advisory capacity. Also, Westbank First Nation participates on the Central Okanagan Regional District Board's committee of the whole and sits ex-officio at the Board table
- The Union of BC Municipalities policy on Indigenous Nations relations focuses on building stronger relationships between Indigenous Nations and local governments. A Memorandum of Understanding between UBCM and the province on engagement was renewed at the 2021 UBCM Convention. One component of the Memorandum of Understanding includes engaging on matters of mutual interest including those that will impact local government jurisdictions.
- There are many examples of collaborative relationships between Indigenous and local governments. A collection of resources related to initiatives, agreements, arrangements, partnerships, and the provision of services (such as sewer, water, and fire services) between Indigenous governments and organizations, and local governments in British Columbia is available at: <https://civicinfo.bc.ca/first-nation-relationship-resources>
- A Community-to-Community Forum program is in place and funds relationship building discussions between First Nations and local governments. The Ministry has significantly increased its annual contribution to the program so that individual grants can be raised from \$5,000 to \$10,000 maximum and are no longer cost shared. The program is administered by UBCM in partnership with the BC First Nations Summit. Further information is available on the Union of British Columbia Municipalities website:

<https://www.ubcm.ca/EN/main/funding/lgps/community-to-community-forum.html>

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Appendix 1

First Nations that have access to representation on regional district boards:

- shíshálh Nation – The Sechelt Indian Government District operates as a municipality and is a full member of the Sunshine Coast Regional District based on federal and provincial legislation passed in 1986 and 1987 respectively.
- Nisga’a Lisims Government and Regional District of Kitimat-Stikine – Nisga’a lands and communities are located in Electoral Area A of the Regional District. As a modern treaty First Nation, Nisga’a have an elected representative sitting on the Board.
- Tsawwassen First Nation and Metro Vancouver – as a modern treaty First Nation, Tsawwassen is a member of the Metro Vancouver Regional District Board.
- The Huu-ay-aht, Toquaht, Uchucklesaht, and Yuułu ı̨ł ath First Nations, as modern treaty First Nations joined the Alberni-Clayoquot Regional District, all four First Nations are individually represented on the Board.
- Ka:’yu:’k’t’h’/Che:k’tles7et’h’ (KY-OO-KIT / CHECK-LE-SET) First Nations (KCFN), as modern treaty First Nations joined the Strathcona Regional District.
- Under the provisions in the Tla’amin Final Agreement, Tla’amin Nation, may become a member of the qathet Regional District without time restriction or obligation, by giving notice to the province.

Without a treaty providing for direct representation, unless First Nations’ members are elected as an electoral area director or elected to a municipal council and then appointed as a regional district board (municipal director) member, the First Nations may not have a direct voice in decision-making in their communities. And even in those instances, they are not directly representing a First Nation but all the residents within a defined geographical boundary.

COMMUNITY GAMING GRANTS - REGULAR

ISSUE

- More than 5,000 not-for-profit organizations throughout B.C. benefit from \$135 million in Community Gaming Grant (CGG) funding every year to directly deliver approved programs that their communities depend on.

RECOMMENDED RESPONSE

- **In 2024/25, the Province will continue to support a diverse range of not-for-profit organizations representing six sectors: arts and culture, sport, environment, public safety, human and social services and parent and district parent advisory councils.**
- **In 2017/18, the Province increased the budget from \$135 million to \$140 million to accommodate the inclusion of a new Capital Projects Sector grant (\$5 million). The Capital Projects Sector will return for its eighth year in 2024/25.**
- **Since 2011, the budget to support not-for-profit programs and services continues to be \$135 million.**
- **Budget 2019 announced gaming revenue-sharing agreement between B.C. and First Nations communities. This revenue-sharing arrangement does not change the amount of funding that currently goes to B.C.'s not-for-profit sector through the CGG program.**
- **In response to the pandemic and resulting pressures on not-for-profit organizations, temporary changes were made to the program in 2020/21. These changes allowed for greater flexibility for organizations to spend funds and the relaxation of some program eligibility requirements to ensure organizations that deliver important programs in their communities could continue to do so. Temporary changes due to COVID-19 continued through the 2021/22 grant year and were gradually reduced throughout the 2022/23 and 2023/24 years as provincial health restrictions were relaxed.**

- **In 2023/24, due to inflation, a decrease in donations and volunteering, and the increase in demand for some programs and services, many organizations requested a funding increase. In response to this, CGG increased the amount of funding that organizations could request from \$100,000 to \$125,000 for “local-level” organizations and an increase from \$225,000 to \$250,000 for “regional-level” organizations. Organizations had to demonstrate a need for the funding increase through their financial documents and increased service delivery. This increase is subject to the overall availability of CGG funding.**
- **CGG is committed to considering input from all stakeholders regarding the program, including ongoing consultation with the British Columbia Association for Charitable Gaming (BCACG).**

KEY FACTS

- 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.
 - The budget of \$135 million to support community-based programs and services has been at the same level since 2011.
- CGG has seen an increase in applications for the 2023/24 grant year, along with many organizations requesting an increase to their grant funding request. Not-for-profit organizations play a vital role in providing essential services to communities across the province. Due to inflation, staffing challenges and growing demand for services, the Branch expects to see continued growth in requests for grant funds.
- See **Appendix 1** for Community Gaming Grant funding distribution for 2022/23.

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Appendix 1

Sector Funding FY22/23:

Sector	Amount
Arts and Culture	\$20,421,410
Sport	\$28,661,673
Environment	\$6,140,250
Public Safety	\$6,866,215
Parent Advisory Councils and District Parent Advisory Councils	\$11,349,330
Human and Social Services	\$61,031,068

Regional Funding FY22/23:

Economic Region	Amount
Cariboo	\$6,329,925
Kootenay	\$5,232,331
Lower Mainland-Southwest	\$77,852,239
Nechako	\$1,263,095
North Coast	\$1,410,100
Northeast	\$1,165,160
Thompson-Okanagan	\$17,104,209
Vancouver Island-Coast	\$29,427,232

COMMUNITY GAMING GRANTS – CAPITAL PROJECTS SECTOR

ISSUE

- As part of *Budget 2017*, Treasury Board approved a \$5 million budget lift starting in 2017/18 to support a new capital projects component of the Community Gaming Grants (CGG) program

RECOMMENDED RESPONSE

- **The Ministry has successfully delivered the Capital Projects Grant Program for seven years. 2024 will be the eighth year of the program.**
- **Applications are competitively assessed against the published eligibility criteria by professional public servants in the CGG Branch.**
- **In 2023, 62 projects were funded representing all regions of B.C. and all six CGG sectors: arts and culture, sport, public safety, environment, human and social services and parent and district parent advisory councils.**
- **In 2017, 2018, 2020 and 2021, additional capital projects were funded with money that was not fully spent in the regular \$135 million program; the Branch did not fund additional projects in 2019, 2022, or in 2023. Due to the increase in number and value of regular CGG applications, the Branch does not expect to fund additional projects for 2024.**
- **For 2023, CGG highlighted support for Indigenous projects, including repatriation projects. No requests to fund repatriation projects were received. Further consultation with the Ministry of Indigenous Relations and Reconciliation indicates additional work is needed to ensure repatriation projects are adequately supported and suggests CGG no longer highlight these projects. Should a repatriation project be submitted for consideration, CGG will consult subject-matter-experts prior to making a decision. This aligns with current practices at CGG for other types of projects.**

If asked about specific support for Indigenous projects:

- **One Indigenous project was supported in 2023: a capital acquisitions project under the arts and culture sector. Savage Productions Society will be purchasing specialized projection equipment to support Indigenous art projects.**

KEY FACTS

- The Capital Projects Sector Guide is updated each year, providing information on eligibility, the application process, the assessment criteria, and the appropriate use of funds.
- Initial policy and updates are developed with input from other areas of government and key stakeholders, such as the BC Association of Aboriginal Friendship Centres and the British Columbia Association for Charitable Gaming.
- Eligible not-for-profit organizations can be approved for between 20% to 50% of the total cost of a project, up to a maximum grant of \$250,000. Matching funds are required to cover the project's remaining costs. Projects must cost between \$20,000 and \$1,250,000.
- Eligible project categories include the construction or renovation of facilities, development of public amenities, and the purchase of fixed capital assets. All projects are primarily for community benefit and accessible to the public.
- Additional considerations are made to include regional distribution, sector distribution, project size and Indigenous inclusion.
- The Capital Projects Grant continues to be oversubscribed. The Branch received 213 applications in 2023, with total requests of \$20 million. This is 50 more applications and \$3 million more in requested funding compared to the previous year.
- See **Appendix 1** for recent funding history.

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Year	Projects Funded	\$ Distributed (Million)
2017/18	107 projects	\$9.2
2018/19	88 projects	\$8.3
2019/20	63 projects	\$4.9
2020/21	81 projects	\$7.7
2021/22	96 projects	\$8.9
2022/23	49 projects	\$5.3
2023/24	62 projects	\$5.1

BC SETTLEMENT SERVICES

ISSUE

- Provincial programs to support the integration of newcomers

RECOMMENDED RESPONSE

- **This government is making historic investments to enhance services for newcomers so that they can reach their full potential.**
- **On April 1 this year we are launching two new and expanded programs to better support temporary residents, naturalized citizens and refugee claimants in their social and economic integration journey.**
- **The combined funding for these programs is \$25.5 million annually – quadruple the amount of the previous program in 2021/22.**
- **These investments will allow community service providers to provide enhanced support to more newcomers in our province.**
- **Additionally, the province continues to invest \$6 million per year in the Career Paths for Skilled Immigrants program to help skilled newcomers find employment that utilizes their pre-arrival skills.**

KEY FACTS

- In 2023/24 the province invested \$22.5 million in settlement services, split between three programs: BC Settlement and Integration Services (BCSIS), Career Paths for Skilled Immigrants and the Refugee Readiness Fund.
- BCSIS (\$15 million) provides services to approximately 30,000 vulnerable clients per year for refugee claimants, international students, naturalized Canadian citizens and temporary workers, including Ukrainians, in over 60 communities across B.C.
 - In 2021/22, the BCSIS budget was \$6 million. It received a temporary funding increase for 2022/23 and 2023/24.
- As a result of increasing number of people coming to B.C. and growing demands for services, new programming will be replacing the BCSIS program on April 1, 2024, with a budget of \$25.5 million.

- With this increased funding, the province will have two new programs.
 - The BC Newcomers Services Program will enhance and expand services that help newcomers settle into their communities, practice English, and find employment.
 - The BC Services & Assistance for Humanitarian and Vulnerable Newcomers (SAF-HAVN) program is focused on specialized services for refugee claimants, with the goal of reducing their vulnerability and increasing community connection.
- These services complement federal funding to ensure newcomers have support across their immigration journey.
- The Career Paths for Skilled Immigrants program (\$6.19 million) helps skilled permanent residents to find employment commensurate with their pre-arrival skills, education and experience.
 - In 2023, we expanded client eligibility to ensure responsive shifts to client need and labour market demand.
 - Approximately 70% of clients are employed in their field after completion.
- The Refugee Readiness Fund (\$2.2 million) was launched in 2021/22 to support people fleeing Afghanistan and as well as displaced Ukrainians.
 - The one-time investment helped ensure that B.C. communities were ready to respond to the needs of refugees arriving from Afghanistan and other countries. This program will end on March 31, 2024, in line with the federal commitments to these communities.

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LABOUR SHORTAGE AND IMMIGRATION

ISSUE

- Employers are experiencing labour and skill shortages across BC, and many sectors are seeking access to international workers to address their workforce needs.

RECOMMENDED RESPONSE

- **I recognize that many employers continue to experience challenges finding workers to fill job openings.**
- **Newcomers have valuable skills, fill essential jobs in our economy, and start new businesses—and all of this contributes to the prosperity and success of communities and the province.**
- **As a result of expected higher immigration levels and increases in labour force participation of B.C. workers, the latest BC Labour Market Outlook expects no overall labour shortages in the next ten years.**
- **However, there may still be too few job seekers for certain occupations, such as healthcare, childcare and construction.**
- **Skills training and targeting immigration to meet labour market needs are both important strategies in meeting the need for workers in specific occupations.**
- **The BC Provincial Nominee Program is a key tool for government to use to nominate immigrants for permanent residence who work in jobs that are in demand. The B.C. Government has asked the federal government for an increase in B.C.'s nomination allocation to 12,000 nominations by 2026, and we are prioritizing nominations for key sectors like healthcare, childcare and construction.**

KEY FACTS

- The BC Labour Market Outlook projects 998,000 job openings between 2023-2033 with the majority (65%) of these openings being replacement openings, largely due to retirements, and the remainder from economic growth. International migrants are projected to fill almost half of openings. Three

quarters of projected openings to 2033 will require some form of post-secondary education or training.

- B.C.'s future labour market is projected to be more balanced than in previous years: the number of job seekers will essentially match the number of job openings.
- According to January 2024 job vacancy data, the job vacancy ratio (ratio of unemployed people to job vacancies) is back at the level it was before the pandemic. Regardless, there may still be too few job seekers in certain in-demand occupations and some individuals seeking work will not have the skills employers need.
- Immigration represents one component of labour supply, as filling future jobs will involve multiple labour supply sources. These sources may include new young (age 29 or less) domestic entrants to the labour force, new immigrants, and workers coming from other parts of Canada.
- The number of new permanent immigrants coming to B.C. has increased in recent years. Canada admitted over 430,000 new permanent residents in 2022 and plans to increase admissions to a record high of 500,000 in each of 2025 and 2026.
- By 2025, B.C. may receive over 75,000 new immigrants per year, almost double the number it received in 2016. B.C. is the third largest immigrant-receiving province after Ontario and Quebec, having surpassed Alberta in recent years.
- Additionally, the number of temporary residents (i.e., foreign workers, international students and refugee claimants) coming to B.C. has grown rapidly and is at a record high. B.C. received over 215,000 temporary residents in 2022.
- According to Statistics Canada, most temporary residents work in lower-paying jobs. The role of temporary residents in Canada's workforce is increasing, from 2% in 2010 to 4.4% in 2020. The sectors most reliant on temporary residents are agriculture and accommodation/food services.
- The federal government controls most immigrant selection and the Provincial Nominee Program is the only immigration pathway B.C. can directly influence. BC's nomination allocation was 8,250 in 2023 and B.C. has requested growth to 12,000 nominations in 2026.

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IMMIGRATION AND POPULATION GROWTH

ISSUE

- B.C. experiencing high levels of immigration-driven population growth

RECOMMENDED RESPONSE

- **People are coming to B.C. in record numbers and that's not surprising. B.C. has a beautiful natural environment, a strong economy, good public services and some of the most livable cities in Canada.**
- **We need people to help meet current and future demands for doctors, nurses, teachers, people to build homes, roads, hospitals, schools, and keep our economy strong.**
- **But we also need to make sure this growth is well-supported and thoughtful, so we have the homes and infrastructure B.C. needs, and the people who come here have the tools they need to succeed.**
- **Our government is taking action so people in B.C. can seize opportunities and build a good life, and employers can find the people they need to help drive our economy forward and deliver the services we all rely on.**

KEY FACTS

- BC Stats' Fall 2023 report "Sustaining Growth: Population and Demography for B.C. and Canada" projects that B.C. may see its population grow from 5.4 million in 2023 to 7.5 million by 2046 (+39%).
- Federal immigration policies are driving B.C.'s rapid population growth and, coupled with shifting demographics (i.e., negative natural population change) mean that 100% of B.C.'s growth is now due to international migration.
- In 2016, B.C. received 38,000 new permanent residents, and by 2022 this increased to over 61,000 new permanent residents as a result of record-high national immigration levels targets (500,000 in each of 2025 and 2026).
- B.C. has also received increasing numbers of temporary migrants in recent years (e.g., temporary workers and international students). The number of temporary residents residing in B.C. was over 205,000 at the end of the second quarter of 2022. One year later, this number had increased to over 400,000.
- Without international migration, B.C.'s population would be decreasing.

- While the median age is increasing for both Canada and B.C., B.C.'s population is older (42.3 years) than the national average (41.7 years) and B.C.'s mortality rate now exceeds its fertility rate.
- An ageing population has implications for supporting economic growth, addressing skills shortages, and meeting the demand for healthcare.
- Population growth is occurring faster than typically planned for by communities and presents challenges for the absorptive capacity of B.C.'s housing, public services, and core infrastructure.
 - At 3.1%, B.C.'s annual population growth rate is the highest since 1973, with some communities experiencing particularly rapid growth.
 - Surrey is projected to gain the most people and overtake Vancouver as the province's largest municipality by 2029.
 - The City of Langford is one of the fastest growing larger (>50K) municipalities and is projected to double in size from 2022 to 2046.
- Local governments need support to accommodate rapid growth, at a time when existing projects have also seen high rates of inflation, and it will be increasingly important for the province and communities to have a strong base of core services and infrastructure that support the well-being of all British Columbians.
 - In 2023, B.C. invested a record \$1 billion in the Growing Communities Fund to support the delivery of local government infrastructure projects critical to accommodating community growth (x-ref: Tab 23).

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PROVINCIAL NOMINEE PROGRAM – ENTREPRENEUR IMMIGRATION

ISSUE

- The province and communities across B.C. are looking to grow the provincial economy.

RECOMMENDED RESPONSE

- **Entrepreneur Immigration facilitates immigration for foreign entrepreneurs who bring their business expertise to manage businesses in B.C.**
- **The Entrepreneur Base stream is for candidates who wish to establish or purchase and expand a business anywhere in B.C.**
- **The Regional Pilot focuses on connecting entrepreneurs to local economic development priorities. Participating communities remain engaged and enthusiastic about their active role in immigration. In 2023, 12 new applications were received from entrepreneurs who had been referred by participating communities. The Pilot will be made permanent as a BC PNP program-wide Regional initiative in April 2024.**
- **A third-party performance audit was completed in September 2023 as required under the Canada-BC Immigration Agreement.** Advice/Recommendations

Advice/Recommendations

KEY FACTS

- In 2023, the Ministry supported 37 work permits for entrepreneurs to come to B.C. and start their businesses and issued 32 nominations for permanent residency. Final 2023 statistics for the program will be posted publicly in the spring of 2024.
- The Regional Pilot will end its pilot phase in March 2024 and transition into an ongoing Regional stream. Communities will be able to continue their collaboration with the Ministry to attract both entrepreneurs and workers to the regions.

- The Regional Pilot created a collaborative model of service delivery between communities and the Ministry, which can be expanded to create additional opportunities to attract and retain newcomers to regional communities and welcome these families to their new life in B.C.

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BC PROVINCIAL NOMINEE PROGRAM – SKILLS IMMIGRATION

ISSUE

- Addressing labour shortages through strategic targeting of international workers in priority sectors for the province.

RECOMMENDED RESPONSE

- **Skills Immigration allows the province to attract and retain workers with the skills we need by facilitating their immigration to B.C.**
- **In 2023, the ministry continued to prioritize workers in healthcare, childcare, and animal health, and started to prioritize construction sector workers in November 2023.**
- **From 2022 to 2023, nominations in the healthcare sector increased by 224%, vets and vet techs increased by 46%, and nominations in the childcare sector increased by almost 100%.**
- **Of the 8200 nominated, 34.4% were working outside of the Metro Vancouver Regional District.**
- **To continue to target these sectors, expand collaboration with regional communities and other partners, and maintain service standards, the application fee for international workers to apply to the BC PNP increased to \$1,475 in 2023, an increase of \$325.**
- **The increased fees ensure program costs are recovered and re-invested into program delivery, and also enable continued expansion of the Anti-Fraud and Investigations Unit and enhancements of the program’s case management system.**
- **As the only immigration program within provincial control, we continue to adjust our approach to better support labour market needs throughout the province.**
- **We utilized our allocation of 8,200 nominations in 2023 and have requested an increase to 9,250 in 2024. We expect our allocation to grow to 11,000 by 2025, and 12,000 by 2026.**

KEY FACTS

- The 8,200 nominations in 2023 include:
 - 1,125 workers in the healthcare sector – a 224% increase
 - 842 early childhood educators and assistants – a 97% increase
 - 41 veterinarians and vet technicians – a 46% increase
- 2,809 Skills Immigration nominees in 2023 – or 34.4% – were working in smaller communities and contributing to local economies.
- Since implementing the 2022 changes, by the end of calendar 2023 the program has nominated a total of 1,471 workers in the healthcare sector, 1,269 ECEs and ECE assistants, 69 vets and vet techs, and 4,551 individuals working in the regions (outside of Metro Vancouver Regional District).

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ADDRESSING FRAUD IN IMMIGRATION

ISSUE

- Efforts to prevent fraud in the BC Provincial Nominee Program.

RECOMMENDED RESPONSE

- **We are aware of the risk of fraud and corruption within the immigration systems and continue to strengthen our approach to detect and address this behaviour.**
- **That's why we established an Anti-Fraud and Investigations Unit in 2020, which currently has five staff dedicated to investigating fraud and misrepresentation in the program.**
- **To date, this unit has completed more than 1,800 reviews or investigations, with appropriate actions taken when fraud and misrepresentation have been established.**
- **All costs for the unit are covered by BC PNP application fees. The 2023 fee increase (now \$1,475 per application) will allow us to grow the capacity of the Anti-Fraud and Investigations Unit.**
- **We educate our clients and the public about immigration fraud and how to report it.**
- **We provide a dedicated email address for the public to report fraud in our program, which is triaged by our Anti-Fraud and Investigations Unit.**
- **We continue to strengthen our internal processes and systems to track and carry out investigations, and to monitor fraud tips and concerning trends.**
- **We continue to collaborate with external agencies such as Immigration, Refugees and Citizenship Canada, and the Law Society of B.C. to increase collaboration on investigations, improve communication and share information.**
- **Lastly, we are actively reviewing ways to increase provincial government oversight of the immigration industry in BC to help protect newcomers.**

KEY FACTS

- The Ministry has established a fraud risk management framework and risk registry to identify risks and prioritize actions to address, based on risk level.
- The Ministry has further strengthened information sharing with the establishment of a formal information sharing agreement with the Law Society of B.C. and plans to establish additional formal agreements with other organizations as well.
- Numerous investigations have been completed or are underway related to tips or identification of fraud, many resulting in sanctions against applicants or other parties involved.

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ISSUE

- A fire swept through the Village of Lytton and across Nlaka'pamux territory on June 30, 2021, resulting in near total loss of buildings and public assets, displacement of residents and the death of two people.
- Recovery has been ongoing and, with supports provided by the province, site preparation and remediation are nearing completion and the first residential rebuilding is underway.

RECOMMENDED RESPONSE

- **Together with Village leadership, the province continues to support the people and Lytton in their recovery activities.**
- **The significant destruction of critical municipal infrastructure and community resources makes Lytton's recovery journey complex.**
- **The archaeological work to date has confirmed the rich Indigenous heritage underlying the Village site and this work is advancing in a coordinated and thoughtful manner.**
- **While the Ministry of Emergency Management and Climate Readiness (EMCR) is the lead provincial agency for recovery and emergency management supports to Lytton, the Ministry of Municipal Affairs (MUNI) continues to support needs relating to finances, municipal infrastructure, and governance.**
- **On these matters, MUNI also supports the Parliamentary Secretary for Rural Development appointed to lead recovery, and coordinates with other ministries and agencies as necessary (including Ministry of Forests /Archaeology Branch, Ministry of Environment and Climate Change Strategy, Ministry of Jobs, Economic Development and Innovation, and Ministry of Transportation and Infrastructure).**

- **At this time, the community's recovery efforts have seen important progress and Lytton is currently moving forward with rebuilding a resilient, sustainable community.**
- **To date the Province has demonstrated its commitment with approximately \$60 million towards the Lytton recovery operations work. This includes:**
 - **\$4.2 million to support ongoing Village operations and staffing (MUNI).**
 - **\$6.26 million for Village wildfire recovery costs (MUNI).**
 - **\$4.4 million to support capital infrastructure rehabilitation (MUNI).**
 - **\$21 million to help re-establish essential infrastructure and services like water treatment and sewer infrastructure, municipal and fire services (EMCR).¹**
 - **\$1 million in FY2021/22 to support community economic recovery through rural development program funding (JEDI).²**
 - **\$23.4 million to enable debris removal, archeological work and soil remediation for uninsured and underinsured properties in the Village (EMCR).³**
- **By working closely with Village officials and the federal government (Infrastructure Canada/PacifiCan), MUNI and EMCR are supporting Lytton to fully implement its recovery priorities and address longer term planning needs.**

¹Defer to Minister of Emergency Management and Climate Readiness (EMCR)

²Recommendation is to defer to Minister of Jobs, Economic Development and Innovation (JEDI)

³Defer to Minister of Emergency Management and Climate Readiness (EMCR)

KEY FACTS

- The fire damaged an estimated 90 percent of the structures in the Village site (including 124 residences) and most of the commercial and public services, as well as the Village municipal hall (and all of its physical and digital records).
- MUNI staff (and other provincial agencies) are in direct contact with Village staff. Staff attend bi-weekly meetings with Village staff and observe Council

meetings, community Town Halls and other meetings hosted by the Parliamentary Secretary for Rural Development.

- MUNI provided a total of \$15 million in five grants to the Village. The Wildfire Response Funds (2021/22) and Wastewater (2022/23) grants provided \$10.7 million for response and recovery costs. The Core Operations Funds and Governance grants provided \$4.2 million to support the day-to-day operations and administration of the Village (\$2.1 million for fiscal years 2022, 2023 and 2024; and \$2.1 million for fiscal years 2025 and 2026).
- In addition to the \$15 million provided by MUNI, additional provincial funds have been committed to support the Village by other Ministries, who can each address the specific funding which includes:

Source	Purpose	Committed (\$M)
MUNI	Funding to support Village operational costs for fiscal years 2022, 2023 & 2024 (<i>disbursed</i>) and 2025 & 2026.	4.2
MUNI	Funding to support Village municipal recovery costs.	6.26
MUNI	Capital funding for wastewater treatment improvements project (required to match the ICIP project).	4.4
JEDI	Operational and economic development activities to continue to pay recovery staff for the community of Lytton response efforts.	1
EMCR	To cover the costs of debris removal, archaeological monitoring, and soil remediation for municipal and all uninsured and underinsured properties in the Village.	18.4
EMCR	To cover the cost of critical services to enable the rebuild, municipal infrastructure repairs, recovery staffing, planning, and engagement.	21
EMCR	To cover increased costs of debris removal, archaeological monitoring and soil remediation.	5
Total Provincial Funding (approx.)		60.26

Government Financial Information; Intergovernmental Communications

- The Village was also awarded \$5 million (federal) in 2023 through the Canada Community Building Fund for drinking water system infrastructure rehabilitation.
- Over the last year, the Village has continued to update their key bylaws, hired a new Chief Financial Officer/Acting Chief Administrative Officer and Corporate Officer to support Village council, and re-opened a municipal hall where council meetings now take place.
- Environmental remediation and site clean-up are nearly complete. With a focused effort by the Archeology Branch of the Ministry of Forests, property owners are better able to navigate the archeological processes under the *Heritage Conservation Act* (HCA) as well as future building planning. In January 2024 the province initiated a grant program of up to \$5,000 for each landowner

with a building permit to cover eligible archeological activities conducted under an approved HCA permit.

- The Village has key infrastructure (hydro, water, etc.) and municipal building application processes in place to support property owners with rebuilding. The first building permit and residential construction is now underway. Insured property owners will have their rebuild funded through their insurance, and uninsured property owners will be supported through donations and corporate commitments.
- The province will support the rebuilding of municipal infrastructure through the Disaster Financial Assistance program and other longer-term funding programs.
- In June 2022 the federal government announced funding of over \$77 million to support the rebuild of infrastructure, homes and businesses (\$64 million funding through Infrastructure Canada as well as \$13 million through PacifiCan towards fire-resistant homes and small- and medium-sized businesses). The province is collaborating with the federal government to help define the project scope for these funding envelopes.

CONTACT:

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ISSUE

- UBCM has raised concerns across a range of legislative initiatives about lack of meaningful consultation on matters that directly impact the powers, obligations, and operations of local governments.

RECOMMENDED RESPONSE

- **Our government values a strong and collaborative relationship with the Union of BC Municipalities.**
- **Ministries have been focused on engagement with local governments within the time constraints to take action.**
- **We are committed to collaborating with UBCM and local governments on the implementation of legislative changes that make day-to-day life better for British Columbians.**
- **My colleagues in various ministries are continuing to engage with local governments on how to achieve the needed outcomes. They are bringing forward guidance and funding to support local governments implementing legislative changes.**

If pressed on use of Non-Disclosure Agreements (NDAs)

- **Cabinet confidence ensures that Cabinet ministers can consider all options, have free and frank deliberations before making a collective decision.**
- **There is a need to balance protection of Cabinet confidences with open engagement with affected parties.**
- **Non-disclosure agreements are a vehicle for achieving that balance and vary based on the nature of the consultation.**

KEY FACTS

- The *Community Charter* contains principles of municipal-provincial relations, one of which is that the provincial government needs to consult when there are proposed changes to local government legislation or provincial programs that will have a significant impact on matters with municipal authority.

- Without this consultation, the full impact of policy and legislation on local governments across the province cannot be known. Consultation with UBCM is key to achieving policy outcomes and maintaining a productive relationship with local governments.
- In 2019 and 2022 UBCM members endorsed resolutions calling on the province to align its actions with the principles of mutual respect, consultation and cooperation as outlined in the *Community Charter*.
- These resolutions cited lack of consultation with UBCM or the affected local governments in the development of the Caribou Recovery Plan, Old Growth Policy Review, changes to the Agricultural Land Reserve, and the province's decision not to appeal the Supreme Court's decision in *Yahey v. British Columbia*.
- In several instances UBCM staff and representatives have been asked to commit to non-disclosure agreements (NDAs) prior to being informed of the full range of topics to be discussed and then prohibited from any acknowledgement of the topics or engagement.
- More recently UBCM has pointed to compressed timelines for the *Emergency and Disaster Management Act* and various housing statutes under the Homes for People strategy. UBCM raised these issues and the use of NDAs at the policy development stage as a priority to discuss at the last quarterly meeting with the Minister of Municipal Affairs.

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LOCAL GOVERNMENT FINANCE SYSTEM REVIEW UPDATE

ISSUE

- UBCM and local governments have suggested that the current local government finance system is inadequate to address modern fiscal pressures. They have called for the province to provide them with new and/or expanded financial and non-financial tools (including legislation, regulation, policy and/or best practices).

RECOMMENDED RESPONSE

- **Government remains committed to frank, open conversations with UBCM about local government finance and how we can partner to serve the people in our communities.**
- **The provincial commitment to discussing local government finance issues are reflected in the signing of the Memorandum of Understanding (MOU) on Local Government Financial Resiliency in January 2022.**
- **This Memorandum of Understanding (MOU) brings us together to review the local government finance system and discuss matters of mutual interest.**
- **It is important to work towards a shared understanding of both the issues and the recommendations made in UBCM's report "Ensuring Local Government Financial Resiliency – Today's Recovery and Tomorrow's New Economy."**
- **We remain committed to open, honest conversations with local governments about their finance system, and how we can work together to better serve British Columbians.**
- **From the COVID-19 pandemic to recent extreme weather events, we are all facing new challenges that did not exist a decade ago.**
- **The province and UBCM have established a workplan and are making progress in reviewing and considering each of the 20 recommendations contained in the UBCM's report.**

KEY FACTS

- On September 15, 2021, the UBCM members endorsed the report entitled Ensuring Local Government Financial Resiliency – Today’s Recovery and Tomorrow’s New Economy, aimed at strengthening the local governments finance system in BC.
- The Report identifies three key cost drivers (attainable housing, community safety and climate change) and the impact of the new economy as significant factors in the local government finance system, and makes 20 recommendations.
- At the 2021 convention, the former Premier committed to working towards developing a memorandum of understanding (MOU) between UBCM and the province to guide a collaborative review of the recommendations within the Report.
- On January 26, 2022, the province and UBCM entered MOU reflecting the commitment of the Parties to engage through a meaningful working relationship in order to meet the respective interests of strengthening the local government finance system.
- The MOU established a Working Group of provincial (FIN and MUNI) and UBCM staff to work collaboratively in reviewing matters related to local government financial resiliency. The Working Group has met regularly to discuss each of the 20 UBCM Report recommendations and, through consensus, agreed timelines to review and consider each of them.
- July 2023 – Working Group presented to Ministers and UBCM President’s Council on a shared problem statement that was subsequently agreed upon:
 - “Property tax is useful and important as an own-source revenue tool, but local governments report difficulty raising enough revenue from property taxes, particularly regarding infrastructure capital costs and select service delivery costs driven by senior government regulations and environmental factors.”

Advice/Recommendations

- As per the Terms of Reference, the Working Group is to provide the next written update to the Ministers and UBCM President’s Council by no later than August 1, 2024.

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ROLES AND RESPONSIBILITIES OF THE INSPECTOR OF MUNICIPALITIES

ISSUE

- The Inspector of Municipalities' primary role is oversight of key local government financial matters.

RECOMMENDED RESPONSE

- **The Inspector of Municipalities' primary role is oversight of key local government financial matters.**
- **The Inspector of Municipalities (Inspector) is a significant component of local governments' overall accountability.**
- **The Inspector helps ensure the financial health and stability of all local governments in BC.**
- **In addition to financial oversight, the Inspector is responsible for approving certain local government decisions to ensure consistency with provincial legislation; such as regional district service area bylaws.**
- **The Inspector position is appointed by Cabinet and is held by the Assistant Deputy Minister for Local Government.**
- **The position is intended to be separate from the role of the Minister, and as a Statutory Decision Maker, is independent from political direction.**
- **A residual power of the Inspector is to hold inquiries into the conduct of municipal business. This would be a very significant, adjudicative exercise and the matter would need to have serious consequences for the local government system.**

KEY FACTS

- Responsibilities of the Inspector of Municipalities include:
 - approving local government loan authorization bylaws for long-term and short-term capital borrowing;
 - reviewing the audited financial statements of municipalities, regional districts, and improvement districts;
 - approving Development Cost Charge bylaws; and

- approving the formation of, or acquisition of shares of, subsidiary corporations.
- Other approvals of the Inspector include:
 - regional district service area bylaws;
 - various improvement district bylaws (including annual tax bylaws);
 - development cost charge (DCC) bylaws; and
 - the formation of local government corporations.
- The approval of development cost charge bylaws is an important role for the Inspector, especially in concert with the approval of other bylaws that also have significant future financial impact on property owners and developers in a community. DCC bylaw approval is part of the overall function of the Inspector to ensure the financial health and stability of all local governments.
- The Inspector's oversight of the local government financial system, in partnership with the Municipal Finance Authority (MFA), ensures local governments can borrow at interest rates that are lower than commercial lending rates.
- This is a core role of the Inspector; to sit between the MFA and local governments, reviewing and approving information from both. This provides the legislative assurance that helps maintain the integrity of the system of shared responsibility for local government finances, particularly debt.
- The annual submission of audited financial statements and local government data entry are at the request of the Inspector (s.167 of the Community Charter).

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DEVELOPMENT FINANCE OVERVIEW

ISSUE

- New development finance tools, through the expansion of Development Cost Charges, provide revenue for local governments to help fund infrastructure and amenities needed to support greater housing supply.

RECOMMENDED RESPONSE

- **New legislation was passed in Fall 2023 to expand the existing categories eligible through a Development Cost Charge (DCC).**
- **The new DCC authority is available to all B.C. local governments and supports the principle that “growth pays for growth.” It is an optional tool that local governments can choose to use.**
- **Changes enable local governments, including the City of Vancouver, to:**
 - **collect development cost charges and levies to help fund the capital costs of fire protection, police, and solid waste/recycling facilities; and,**
 - **allow municipal councils to collect development cost charges and levies for provincial highway projects that incorporate works to service growth in the community, integrate with the local road network and are cost-shared between the municipality and the province.**
- **Ministry staff are available to provide guidance to local government seeking to develop bylaws for DCCs in the newly created categories.**
- **Prior to the recent change DCCs have been a long-standing tool for development finance used by local governments to facilitate development by providing a method to finance a limited set of capital projects related to roads, drainage, sewers, water and parkland.**

KEY FACTS

New DCC Categories

- The new categories – fire protection facilities, police facilities and solid waste facilities – respond to several UBCM resolution requests to allow local governments to collect for core health and safety infrastructure to adequately service new development.
- Examples of new infrastructure that could be funded includes: land and buildings for firehalls, community policing centres, transfer stations for solid waste and recycling facilities, and cost-shared provincial highway infrastructure such as interchanges.

Provincial Highway DCCs

- Before the legislation, local governments could only impose DCCs to finance the cost of constructing or expanding highway facilities they own and control (i.e., municipal streets).
- The *Local Government Act* and *Vancouver Charter* restrict the use of monies collected under DCCs categories to municipally owned and controlled capital infrastructure. This change enables the collection for the cost share projects but is restricted to the “Roads” category only. The remaining categories support local government owned infrastructure.
- The legislation will expand this authority to include provincially controlled highway facilities where they integrate with the local road system.
- This will allow municipalities to access DCCs for projects which are subject to a formal cost-sharing arrangement with the province.
- These costs are for infrastructure that directly service new development within a community.
- Highway facilities financed in part through DCCs must integrate the provincial and municipal road systems.
- This may be done directly, through infrastructure such as a pedestrian overpass or indirectly through infrastructure such as a bus pull-in on the highway that connects transit riders to the municipality.

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DEVELOPMENT COST CHARGES AND METRO VAN RD

ISSUE

- The Inspector of Municipalities recently approved three Metro Vancouver RD development cost charge (DCC) bylaws that increases the overall DCCs on developers.
- Other local governments may also increase their DCCs to account for increased costs, rapid growth, and the new categories of DCCs added to legislation (see note 22).

RECOMMENDED RESPONSE

DEVELOPMENT COST CHARGES (DCCs)

- **Communities are growing, and we need to ensure we are adding more housing supply and the infrastructure that serves the needs of people in those homes.**
- **DCCs are an important tool for local governments to recover some of the costs of new infrastructure from new developments.**
- **DCCs are calculated so that developers pay for a share of new infrastructure that will serve their developments. “Growth pays for growth” is a core goal of DCCs.**
- **Without DCCs, new infrastructure for services would be financed entirely by the existing property tax base; a tax base that is already paying for the renewal and maintenance of existing infrastructure.**
- **Local governments decide to use DCCs and decide how much of the costs of new infrastructure will be recovered from the development community and what portion is subsidized by the existing properties.**
- **This is done with the assist factor, which allows locally elected leaders to choose the portion of new infrastructure costs to be recovered from existing property owners.**

- **The assist factor allows a local government to balance affordability between new development and existing taxpayers.**
- **Many local governments also reduce or waive the DCCs for not-for-profit or affordable rental housing.**
- **DCCs provide transparency for developers about the amounts required to help finance new infrastructure.**
- **Local governments are required to consider the economic impact of DCCs. As part of that consideration, local governments must consult with the public and development community on proposed DCC bylaws and their rates before they are submitted to the Inspector of Municipalities for review.**
- **If a local government chooses to use DCCs, it is the Inspector of Municipalities' role to make sure they meet legislative and policy guidelines.**
- **We will continue to work together with all communities to ensure that services and processes are in place for the outcome that more housing gets built, faster. We have stepped up as a province and are doing our part to improve the affordability of housing.**

INSPECTOR OF MUNICIPALITIES (See Note 21 also)

- **The Inspector of Municipalities is a statutory position in the Ministry of Municipal Affairs that is independent from the Minister, Cabinet, and the government of the day.**
- **The Inspector of Municipalities approves certain local government bylaws, including DCC bylaws, to ensure they meet legislative requirements.**
- **As the Minister, I have no role in the Inspector's decisions.**
- **The Inspector may refuse to grant approval of a DCC bylaw if they determine that the local government has not properly considered whether the charges would:**

- **deter development;**
- **discourage the construction of reasonably priced housing or the provision of reasonably priced serviced land; or**
- **discourage development designed to result in a low environmental impact.**

METRO VANCOUVER'S DCC BYLAWS

- **The three DCC bylaws from the Metro Vancouver Regional District and its Greater Boards have been reviewed and approved by the Inspector of Municipalities.**
- **The Inspector found that the bylaws met the legislative requirements for DCC bylaws.**
- **It is now over to the Metro Board to adopt the DCC bylaws in order to make them effective or not.**
- **The regional district completed an economic analysis of the affordability of property tax increases and the impact on sales price if property taxpayers or developers pay for the infrastructure necessary for growth to continue in the region.**
- **The Inspector of Municipalities found that Metro adequately consulted the public and development community. During the consultation, the regional district heard support for the concept that growth should pay for growth; meaning that developers should pay for the infrastructure that benefits and services their developments.**
- **The Inspector encourages Metro Vancouver to periodically examine their DCC programs to ensure that development is not deterred and to adjust the DCC program as necessary, for example, reconsideration of the assist factor if necessary.**
- **Metro Vancouver intends to create a waiver or reduction of DCCs for affordable rental housing, as permitted by legislation. The regional district must adopt a bylaw that defines affordable housing and sets the waiver or reduction amounts. The regional district is working on this.**

- **Metro Vancouver’s proposed changes will not come into effect until the beginning of 2025 and will be phased in by 2027. Metro is delaying and phasing in these DCCs for the benefit of the development community.**

KEY FACTS

DEVELOPMENT COST CHARGES (DCCs)

- The growth in the housing market in the Lower Mainland and across B.C., in the past 30 years, indicates that DCCs have not led to stagnation.
- DCCs spread the cost burden of core infrastructure for services between existing taxpayers and new developments.
- An alternative approach would be to place all the cost burden on existing property taxpayers. Another alternative would be for local governments to rely even more on senior government grants.
- DCCs increase the costs to developers when bringing new housing to market. Developers need to add DCCs to their proformas when considering the scope and scale of their projects along with market conditions to assess their profit margins.
- However, it should be noted that area land economic conditions (supply and demand, the market determines the price for developers upon a sale), labour and supply costs, as well as borrowing rates are significant factors in a developers’ assessment of their profitability.
- If a developer determines there is insufficient profitability in a new development, they may decide not to go forward, which would negatively impact the supply of housing.
- The assist factor is where elected leaders make a choice as to how much of the cost of infrastructure that benefits new development will instead be borne by existing property owners, likely via property tax. One (1) % is a commonly used factor that assigns the maximum possible cost to the developers that benefit directly from the new services.

Metro Vancouver’s DCC bylaws

- Metro Vancouver expects one million new residents in the region by 2050. To support this growth additional infrastructure capacity will be required,
- Metro estimates \$10.8 billion in growth-related costs for water and wastewater.
- Metro introduced DCCs for water infrastructure for the first time in 2023. It will begin parkland acquisition charges in 2025. This means that, until recently, the cost of regional water infrastructure and parkland that benefits new development was not recovered from those developments but from existing taxpayers.

- Since 2021, Metro has indicated their intent to increase water and liquid waste DCCs and introduce a parkland acquisition DCC (Metro does not currently have a parkland acquisition DCC).
- In consultation leading up to the new Strategic Plan the regional district heard that “Growth pays for Growth” is important to the community. This means that the community wants developments that benefit from new infrastructure to help pay for that infrastructure.
- Metro Vancouver, in its Board Strategic Plan 2022 – 2026, committed to pursuing DCCs to further the goals of household affordability and financial sustainability in the delivery of liquid waste, water, and park services.
- To achieve these goals, during the Board Budget Workshop in April 2023, the Metro Vancouver Board endorsed recommendations made by the Financial Planning Task Force to direct staff to prepare the 2024-2028 Financial Plan and incorporate the following assumptions:
 - Liquid Waste DCCs, including interest, moving to a 1% assist factor;
 - Water DCCs, including interest, moving to a 1% assist factor; and,
 - Establishment of a DCC for Regional Parks with a 1% assist factor.
- Given that developers have never had to pay for their share of park infrastructure prior to this bylaw, the phasing in of the charges is reasonable.
- Metro held a dozen meetings/webinars on the proposed DCC with various stakeholders including industry, local governments, First Nations, the Metro Vancouver Advisory Committee, the Province, and the Federal Government. In addition to this, Metro had a public website on this topic and advertised in several industry publications.
- Metro introduced DCCs for water infrastructure for the first time in 2023. This means that, until recently, the cost of regional water infrastructure that benefits new development was not recovered from those developments but from existing taxpayers.
- Metro does not impose DCCs for regional drainage.
- Metro’s proposed changes will not come into effect until the beginning of 2025 and will be phased in by 2027.
- Metro is delaying and phasing in these DCCs for the benefit of the development community.
- The charges respect the reduced burden of multi-family dwellings on infrastructure. The DCC for a dwelling in a multi-family development is 39% less than that for a single-family dwelling.

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GROWING COMMUNITIES FUND

ISSUE

- The Growing Communities Fund provided a one-time total of \$1 billion in grants distributed among all of B.C.'s local governments.

RECOMMENDED RESPONSE

- **The Growing Communities Fund distributed conditional grants to communities in 2023 to help build community infrastructure and amenities to meet the demands of unprecedented population growth.**
- **The fund is intended to allow local governments to prioritize which eligible infrastructure projects will enable community growth.**
- **The Fund provided a one-time total of \$1 billion in grants to all municipalities (161) and regional districts (27) for recreation facilities, parks, water treatments plants, and other community infrastructure.**
- **A direction letter and online information from the Ministry included further details on this one-time direct grant and how it was to be utilized.**
- **Local Governments will report by May 2024 on how they used these funds during 2023. Any funds not spent in 2023 are required to be placed into a reserve.**
- **Local governments have been provided with a five-year timeframe in which to expend the funds.**

KEY FACTS

- Growing Communities Fund (GCF) grants support the construction of infrastructure for services necessary that enable the development of much needed housing.
- GCF is intended to help local governments make their own decisions about which eligible infrastructure projects will enable community growth.
- Grants were calculated to incorporate a flat amount of \$500,000 per municipality or district and amounts calculated from population size and per-capita population growth between 2016 and 2021, based on BC Stats data.

- The adjusted population method ensures that smaller municipalities get a higher per capita share of funding despite larger municipalities receiving more funding in absolute dollars.
- For regional districts, the funding recognizes that rural regions face a particular challenge in the form of relatively high costs of service delivery due to three factors:
 - Lower population density;
 - Larger distances that must be travelled by service users and providers; and
 - Small numbers of people in any location that preclude economies of scale.
- However, regional district boards are expected to allocate the grant to projects as necessary to support growth, regardless of the location within the regional district. The board members need to act in the interest of growth in the region.
- Local governments are encouraged to work closely with adjacent local First Nations, in recognition of the *Declaration on the Rights of Indigenous Peoples Act*, as this collaboration strengthens our communities and regions.
- If a project that received another infrastructure grant has cost overruns, GCF funds may be used to finance the cost overrun portion.
- Local governments are required to annually report on how this grant was spent. This will be part of annual financial reporting under section 377 of the *Local Government Act*, and section 167 of the *Community Charter*.
- Each local government will provide a schedule to the audited financial statements with the amount of funding received, the use of those funds, and the year-end balance of unused funds.
- Each local government must continue to report annually on the use of grant money until the funds are fully drawn down.
- As applicable, an annual report is also required that identifies work related to Housing Needs Reports.

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ISSUE

- The Canada Community Building Fund (CCBF) is a long-term federal funding program. A draft ten-year agreement for renewal has been introduced by Government of Canada (Canada) for negotiation.

RECOMMENDED RESPONSE

- **We recognize that local governments rely on the predictable and stable funding of CCBF, with funding delivered through a combination of direct allocation to local governments and pooled funding programs.**
- **The Union of BC Municipalities (UBCM) and the province are taking a joint negotiation approach with Canada.**
- **Discussions on the draft agreement are ongoing between the three signatories of the current agreement: Infrastructure Canada (INFC), UBCM, and MUNI.**
- **With UBCM, we will endeavour to negotiate an agreement that continues to provide the flexibility and stable funding that local governments count on in consideration of the federal desire to link infrastructure funding directly with housing outcomes.**
- **Asset management improvement for sustainable service delivery will continue to be a requirement under the new agreement.**
- **The federal allocation to CCBF is legislated and provided to provinces on a per capita basis. There has been no indication of an increase.**

KEY FACTS

- The CCBF, formerly the federal Gas Tax fund, provides consistent funding to support local government infrastructure investments.
- The current agreement took effect on April 1, 2014, and expires March 31, 2024. Over these 10 years, a transfer of over \$3.3 billion in funding was received from Canada. CCBF has been in place since 2005.
- UBCM, the Province of BC, and Canada are negotiating a renewed long-term agreement.

- The fund is administered through a tripartite agreement between Canada, the Province (Ministry of Municipal Affairs), and UBCM.
- The CCBF provides predictable federal funds for infrastructure and capacity building investments that directly benefit B.C. local governments.
- The fund amount is based on a per-capita allocation nationally and is currently set at \$2.2 billion; for B.C., this equates to approximately \$300 million per year.
- Under the existing agreement, funding is delivered through a combination of direct allocation to individual local governments and pooled funding programs:
 - 39 percent of funds - Community Works Fund (CWF) is a direct allocation and consists of a floor amount plus a per-capita amount. Funds are delivered in bi-annual payments to local governments, who make localized decisions on how to utilize their funds and report on spending and outcomes.
 - 50 percent of funds - Metro Vancouver Regional Fund (MVRF) is a pooled fund created by agreement between the 21 municipalities, one electoral area and one treaty First Nation of Metro Vancouver Regional District. The fund pools 95 percent of member municipalities' per-capita allocations and directs it to regional transportation projects proposed by TransLink.
 - 11 percent of funds - Strategic Priorities Fund (SPF) is an application-based funding for projects larger in scale, regional, or innovative. This fund is created by pooling 25 percent of the per-capita amount from local government outside Metro and eligible only to those communities.
- The program supports a broad range of project categories from firehalls to sewage treatment. Local Roads, Bridges, and Active Transportation have been the largest investment categories, and 2022 saw record expenditure in these areas plus Recreation and Sport Infrastructure. As well as capital expenditure, CCBF supports capacity building projects that improve local government asset management, Integrated Community Sustainability Planning and Long-Term Infrastructure Planning.
- Infrastructure Canada has recently developed a draft tripartite agreement for 2024 to 2034 with draft template shared with staff in early December 2023.

Intergovernmental Communications

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ISSUE

- Status of Federal-Provincial Investing in Canada Plan programs: Investing in Canada Infrastructure Program (ICIP) and Clean Water Wastewater Fund (CWWF).

RECOMMENDED RESPONSE

- **Our government is committed to making life more affordable for British Columbians and improving the services people count on.**
- **The province has partnered with Canada under the Investing in Canada Plan through two programs focused on core public infrastructure: Investing in Canada Infrastructure Program (ICIP) and the Clean Water Wastewater Fund.**
- **In 2018 we signed a multi-year bilateral agreement with Canada on ICIP, a program investing more than \$3.9 billion of federal funds in B.C.**
- **We work closely with the ministries of Transportation and Infrastructure, and Environment and Climate Change Strategy on delivering this funding.**
- **There are five Municipal Affairs-administered programs under ICIP that have all fully allocated their funding.**
- **There are 445 approved projects from previous intakes of Environmental Quality Program, Community, Culture and Recreation Program, Rural and Northern Communities Program, CleanBC Communities Fund, and the COVID-19 Resilience Infrastructure Stream.**
- **Prior to this, in 2016, we signed the Clean Water Wastewater Fund Agreement, which provided \$140.3 million provincial and \$212.6 million federal funding.**
- **There were 180 projects supported through the Clean Water Wastewater Fund. These projects improved infrastructure for drinking water, wastewater, and stormwater in communities across the province.**

KEY FACTS

- The federal government announced its multi-year \$180 billion Investing in Canada Plan (ICP) in 2016.
- Funding is delivered through Bilateral Agreements between the federal and provincial governments.
- Investing in Canada Infrastructure Program (ICIP):
 - ICIP is the second phase (2018 to 2032) of the federal ICP.
 - The Ministry of Transportation and Infrastructure is the primary interlocutor with the federal government on infrastructure funding agreements. The Ministry of Municipal Affairs (MUNI) leads/co-leads program development and holds the budget for most community-based projects. The Ministry of Environment and Climate Change Strategy (ENV) and Emergency Management & Climate Readiness (EMCR) are key participants.
 - MUNI administers ICIP funding towards community-based infrastructure projects under the following programs:

Program	Total Funding (millions)	Provincial Funding (millions)	Federal Funding (millions)	Number of Projects	Program Scope
Environmental Quality Program	\$720.4	\$321.5	\$398.9	88	reliable drinking water and wastewater systems
CleanBC Communities Fund	\$238.3	\$94.1 ¹	\$144.2	58	community infrastructure projects that reduce greenhouse gas emissions using clean or renewable energy or that improve energy efficiency
Community, Culture and Recreation Program	\$241.1	\$81	\$160.1	97	improve access to or quality of cultural, recreational, or community infrastructure
Rural and Northern Communities Program	\$157.9	\$53	\$104.9	75	projects that support infrastructure priorities in rural communities with populations under 25,000

Program	Total Funding (millions)	Provincial Funding (millions)	Federal Funding (millions)	Number of Projects	Program Scope
COVID-19 Resilience Infrastructure Stream, AND	\$79.4	\$15.4	\$64	87	upgrades to local government / Indigenous buildings, health and educational facilities, access to active transportation, resilience/adaptation to natural disasters;
CVRIS Ventilation improvements	\$17.8	\$0	\$17.8	40	AND ventilation improvements in schools and public housing

- Project construction is ongoing with monitoring of grants.

Provincial Funding (\$ millions)	Actuals	Forecast	Budget 2024 Fiscal Plan Period			Fiscal Plan Total	Estimate		Total
	Past Years	2023/24	2024/25	2025/26	2026/27		2027/28	2028/29	
Approved Program 1st, 2nd and 3rd Intakes									
ICIP Environmental Quality	101.126	13.978	75.973	Advice/Recommendations; Government Financial Information; Intergovernmental Communications					
ICIP CleanBC Communities Fund	12.152	2.882	28.763						
ICIP Community, Culture and Recreation	28.637	14.812	23.659						
ICIP Rural and Northern Communities	24.389	3.307	16.549						
ICIP COVID-19 Resilience Infrastructure	7.843	2.349	1.076						
Sub Total Approved Programs	174.147	37.328	146.020						

- Clean Water Wastewater Fund (CWWF):
 - The CWWF was the first phase of the ICP and has recently completed (2016 to 2024).
 - The CWWF helped accelerate local government investments, supporting the rehabilitation of water, wastewater and stormwater infrastructure, and the planning and design of future facilities and upgrades to existing systems.
 - The application intake closed in November 2016, and the final project under CWWF is anticipated to complete by late 2024.
 - \$370 million combined federal-provincial funding was provided towards 180 projects, with \$140.3 million provincial and \$212.6 million federal funding towards 148 capital projects, and \$6.8 million provincial and \$10.3 million federal funding towards 32 planning/design projects.

¹ Note that only approved funding is included in the summary table, Advice/Recommendation Advice/Recommendations; Government Financial Information; Intergovernmental Communications

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COMMUNITY ECONOMIC RECOVERY INFRASTRUCTURE PROGRAM (CERIP) – COMMUNITY ECONOMIC RECOVERY (CER)

ISSUE

- MUNI administered the Community Economic Recovery Infrastructure Program - Community Economic Recovery stream, with funding in March 2021, to help communities in B.C. recover from the economic impacts experienced from COVID-19.

RECOMMENDED RESPONSE

- **The CERIP provided one-time grants to successful recipients to support job creation through small-scale infrastructure projects and to support the province’s vision of resilient communities during the pandemic.**
- **CERIP was focused on infrastructure projects that contribute to sustainable communities, promote destination development, support urban and rural economic diversification and competitiveness, and strengthen cultural heritage.**
- **MUNI approved \$30 million to 63 community infrastructure projects in March 2021 through the CER stream.**
- **All but one of the CER stream projects have reached completion. The remaining project is planned to be completed this year.**
- **The CER stream supported an estimated 371 new permanent jobs, and projects employed an estimated 204 Indigenous people, 480 women, 649 young adults, and 76 new Canadians in communities across the province.**

KEY FACTS

- CERIP was developed to help communities in B.C. recover from the economic impacts experienced from COVID-19.
- This one-time grant to successful recipients supported job creation through small-scale infrastructure projects and the aim to achieve the province’s vision of resilient communities. Projects were selected, in part, based on their contribution towards creating new employment or re-employing laid off workers in applicant communities by working with local governments,

Indigenous governments and communities, not for profit organizations and other sectors.

- CERIP included \$100 million allocated across five program streams:

Ministry	Stream	Funding	Number of Projects	Average Provincial Contribution
Municipal Affairs	Community Economic Recovery	\$30 million	63 projects	\$476,190
Tourism, Arts, Culture and Sport	Destination Development ¹	Phase 1: \$20 million	54 projects	\$370,370
Jobs, Economic Development and Innovation	Rural Economic Recovery	\$20 million	38 projects	\$526,315
Tourism, Arts, Culture and Sport	Unique Heritage Infrastructure (UHI) - Non-Indigenous (Heritage BC)	\$16 million	66 projects	\$253,152
Tourism, Arts, Culture and Sport	UHI - Indigenous – First People’s Cultural Council	\$4 million	11 projects	\$340,909
Education and Childcare	Aboriginal Head Start - First Nations Health Authority (FNHA), and Aboriginal Head Start Association of British Columbia (AHSABC)	FNHA: \$9.1 million	85 projects	\$100,036
		AHSABC: \$0.9 million	11 projects	\$80,622

- Grants under the MUNI-administered CER were in amounts between \$29,000 and \$1 million, for small scale projects such as new bike paths, public building upgrades, and park improvements.
- CER recipients included 32 local governments, 25 not-for profit groups, and 6 Indigenous governments/organizations. The 63 projects were shortlisted through technical review of 213 applications.
- Projects were in all economic development regions with 8 projects in Cariboo, 5 in Kootenay, 12 in Mainland/Southwest, 4 in Nechako, 2 in North Coast, 2 in Northeast, 11 in Thompson/Okanagan, and 19 in Vancouver Island/Coast.
- 62 of the CER projects are complete, with 1 remaining project anticipated to be completed in late 2024. 18 projects required an extension past the original program end date of March 31, 2023.
- Project benefits will be tracked through final reports, including the number of individuals employed during the projects, the number of new permanent jobs resulting, the salary of individuals employed by the projects (\leq than \$30/hour or $>$ \$30/hour), and the number of projects that adhere to the *Wood First Act*.

¹ An additional \$69 million was administered by TACS through this stream in 2022; resulting in 121 projects.

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[Back to TOC](#)

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RESPONSIBLE CONDUCT OF LOCAL ELECTED OFFICIALS UPDATE

ISSUE

- The Province, with our UBCM partners, and the Local Government Management Association, continue to explore ways to strengthen the local responsible conduct system.

RECOMMENDED RESPONSE

- **I am encouraged by the continued collaboration of staff from the Union of BC Municipalities, the Local Government Management Association, and the Ministry of Municipal Affairs, through the Working Group on Responsible Conduct, as they undertake work that advances the responsible conduct of B.C. Local Government elected officials.**
- **Responsible conduct is grounded in elected officials conducting themselves according to principles of integrity, accountability, respect, and leadership and collaboration in a way that furthers a local government's ability to provide good governance to their community.**
- **I am heartened to see many elected decision-makers continue to strive to provide for good governance and engage in responsible conduct for their communities.**
- **Over the past year, the Ministry, informed by the work of the Working Group on Responsible Conduct, has been monitoring the impact of the legislative and educational tools implemented in 2021-2022 and exploring ways to further strengthen the responsible conduct system.**
- **The Working Group on Responsible Conduct is drafting a discussion paper to support discussions with local governments on potential responsible conduct approaches, associated considerations and implications.**

KEY FACTS

- Responsible conduct refers to how government elected officials conduct themselves with their elected colleagues, with staff, and with the public.
- The Working Group on Responsible Conduct (WGRC) is a staff-level partnership between the Ministry, the Union of BC Municipalities (UBCM), and the Local

Government Management Association (LGMA). The working group was formed in 2016 to explore approaches to deal with the spectrum of conduct-related matters that occur primarily while elected officials are at the council/board table and carrying out their duties of office.

- Following the 2022 general local elections, a new requirement to consider adopting or reviewing a code of conduct came into effect. In 2023, Ministry staff started monitoring the number of local governments which had adopted a code of conduct following the election and found that there was a 19 percent and 7 percent increase in the number of codes adopted by municipalities and regional districts, respectively.
- To better understand the substance of the codes of conduct, Ministry staff are currently undertaking comprehensive research into codes of conduct, including how codes of conduct use informal resolution processes, if third party investigators are employed, and enforcement mechanisms for codes.
- There have been continued calls from local government elected officials and staff to establish an integrity/ethics commissions framework to support local government responsible conduct issues.
- At the 2023 UBCM Convention, Resolution EB69 (Shared Ethic's Commissioners Office) was endorsed. This resolution calls on the province to create a shared local government ethics commissioner's office to serve local governments in the implementation and enforcement of codes of conduct. There have been four other endorsed resolutions on this issue in 2016, 2020, 2021, and 2022.
- In response to these calls, the WGRC has hired a contractor to draft a Responsible Conduct Framework Discussion Paper to provide foundational information and create a shared understanding of the current responsible conduct tools and approaches. The paper will consider mandatory training, mandatory codes of conduct, and the creation of an integrity commissioner office.

Advice/Recommendations

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MUNICIPAL ADVISOR OUTCOMES: LIONS BAY, HARRISON HOT SPRINGS, SILVERTON AND KAMLOOPS

ISSUE

- MUNI has assisted municipal council's experiencing exceptional governance challenges with a "Municipal Advisor." Municipal Advisors have provided temporary support following a collective request from a council.

RECOMMENDED RESPONSE

- **Local governments have a high level of autonomy within their areas of jurisdiction, are democratically elected and are accountable to their communities for their actions.**
- **When a local government is facing significant governance challenges affecting the functioning of its council or board, MUNI works with the local government to understand the issues.**
- **In exceptional circumstances, at the collective request of a council, MUNI has assisted by contracting a temporary Municipal Advisor to help improve communications, clarify roles and facilitate effective decision-making.**
- **Following the outcomes of the October 2022 general local elections, MUNI has assisted with Municipal Advisors in four municipalities to provide guidance and recommendations to council on how to improve governance.**
- **MUNI assists local governments should they need advice or support about any matters that may be affecting a council's ability to make effective decisions for their community.**

If asked about Municipal Advisor outcomes:

- **Municipal Advisors have conducted workshops and reviewed key policies and procedures with council members and senior staff to support more effective council meetings, communications, and governance.**
- **Where required, Municipal Advisors have worked closely with council to hire or mentor key staff, clarify roles, and stabilize operations through coaching and sharing best practises.**

- **Each Municipal Advisor appointment culminates with a final report and recommendations provided to council which guide and strengthen decision-making going forward.**
- **It is expected that the advisor in Kamloops will mentor and support council with roles, conduct and meeting management and provide recommendations to council**

Advice/Recommendations

KEY FACTS

- Since the 2022 general local elections, and the election of new local leadership, several municipalities have faced challenges. Public disagreements and distrust, together with the departures of key staff, have caused division within these communities which has played out in council chambers and local media.
- Under the legislative framework for local governments in British Columbia, municipalities operate with a high level of autonomy. MUNI does not typically intervene in local government matters, however, in exceptional cases a council may collectively request ministry support (i.e. through a council resolution) to help them navigate challenging governance issues.
- MUNI has assisted with temporary advisors to help with roles and responsibilities, communications, responsible conduct and meeting best practices. Municipal advisors are independent external contractors who have extensive local government experience and provide support and recommendations directly to the council and senior staff.
- Since 2023, at the unanimous request of their councils, the Ministry assisted with advisors to support four municipalities: the Village of Lions Bay; the Village of Harrison Hot Springs; the Village of Silvertown; and the City of Kamloops.
- The duration of advisor contracts varies based on the needs of the community and availabilities of the advisor: Lions Bay (5 months); Harrison Hot Springs (7 months); Silvertown (3 months); and Kamloops (4 months).
- At the end of their term, municipal advisors provide a final report to council with recommendations and specific actions for the council to follow to support good governance going forward.

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NANAIMO 1-TERMINAL REZONING

ISSUE

- The City of Nanaimo has delayed a zoning decision on a significant housing and commercial redevelopment project called 1-Terminal given concerns raised by the Snuneymuxw Nation. MUNI and MIRR have engaged facilitators who are working with all the parties to find a solution.

RECOMMENDED RESPONSE

- **I would like to acknowledge first that the City of Nanaimo and the Snuneymuxw (*pronounced snue-ney-mowck*) First Nation (SFN) have been working hard on their relationship and have been engaging in many positive reconciliation initiatives.**
- **Encouraging strong local government - First Nations engagement, and relationship building, is an important part of the province's commitment to lasting reconciliation with Indigenous peoples and implementing the *Declaration on the Rights of Indigenous Peoples Act*.**
- **Regarding the 1-Terminal re-zoning project I appreciate that the Snuneymuxw First Nation have raised significant concerns as this is an important traditional village site.**
- **I appreciate that Nanaimo City Council has made a significant decision in delaying a rezoning decision to allow for the facilitation process to unfold. I would like to thank Council for delaying a final decision on this rezoning project as we try to find solutions to concerns raised by the Snuneymuxw (*pronounced snue-ney-mowck*).**
- **Also, I want to acknowledge the Snuneymuxw for taking a collaborative approach to working with all parties to find solutions.**
- **I appreciate that this has been hard work for everyone.**
- **Collectively we trust, with the work of the facilitators, the parties will find a way to all come together.**

KEY FACTS

- The City of Nanaimo has delayed a final decision on a rezoning project called 1-Terminal. It involves significant housing and commercial redevelopment.
 - Snuneymuxw are objecting and want to be directly involved in the project ^{Advice/} _{Recom}
- Advice/Recommendations; Interests of an Indigenous People; Intergovernmental Communications

- MUNI is part of the facilitation to develop a shared understandings agreement. It will outline the work the parties will do to define a consent-like process for the SFN's future involvement in significant rezoning decisions.
- Currently there is no legal precedent or requirement for local governments to achieve consent with First Nations on land use decisions for private land.
- This opportunity involving Nanaimo and SFN, could create a model example to apply to other situations in B.C., where local governments and First Nations can work together to find agreement on private land use decisions under the current legislative framework.
- If the parties find legislative obstacles to designing a consent-like process, that could point the way for future amendments to the *Local Government Act* to ensure alignment with the articles of the UN Declaration and the need to respect First Nations title and right to self-government.

CONTACT:

Brent Mueller

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Government Financial
Information

ISSUE

- Intersection of housing, infrastructure and governance issues on Salt Spring Island

RECOMMENDED RESPONSE

General Comments

- **Governance and service delivery continues to be an important and evolving topic on Salt Spring Island.**
- **The Province continues to support community driven decisions about governance and service delivery on the Island among the bodies elected to deliver land use planning and services.**
- **We will continue to work individually and collectively with the local decision makers and service providers to improve critical service issues such as water and housing on the Island.**

If asked about housing issues

- **Government recognizes that it is not straightforward to add residential density without water or compromising the Islands Trust's special mandate to preserve and protect the Trust area.**
- **The Small-Scale Multi-Unit Housing requirements of Bill 44 has therefore not been applied to the Salt Spring Local Trust Committee (LTC), although the LTC is free to enable greater density where it is most suitable.**
- **The Local Trust Committees can also opt into a new Provincial principal residence requirement for short term rentals, to unlock more existing housing for residential use.**

If asked about improving water access and/or infrastructure needs

- **The CRD received \$11.559 million through the Growing Communities Fund.**

- **Local governments can apply for planning and capital infrastructure funding programs. My Ministry funded a Water Optimization Study in 2020 to support improved water services.**
- **Ministry staff have had open communication with North Salt Spring Water District since 2017 around exploring options to work with the Capital Regional District (CRD) to access grant funding.**

If asked about governance

- **The Province does not impose a change in local governance. It is for the local community to decide how they wish to be governed.**
 - **The Province generally supports improvement district conversions where there is evidence of support from the board of trustees, the local government that will become responsible for the services, and the landowners.**
 - **Should a community want to consider municipal incorporation, the Ministry works closely with the local government to ensure that a comprehensive and inclusive study process.**
- **The Ministry has funded several processes to support informed decisions by Salt Spring voters on their governance and service provision. Staff remain available to discuss options.**

Salt Spring voters recently approved a local community commission (LCC) to oversee a range of local services, ensuring broader representation in local, transparent decision-making.

KEY FACTS

- **Salt Spring Island is an electoral area within the Capital Regional District (CRD), where multiple agencies contribute to local services and regulation:**
 - **The CRD provides many local services including water, sewer, parks and recreation, emergency preparedness, bylaw enforcement (animal and noise control, and building inspection), and library.**

- The Islands Trust provides community planning and regulates development.
- Ministry of Transportation and Infrastructure is responsible for subdivision approval.
- Improvement districts are responsible for fire protection and in many areas water provision.

Housing

- Salt Spring Island has seen significant increases in housing costs, with the 2020 CRD Housing Needs Report indicating that the homeownership and secondary rental market are unaffordable for all housing types, even couples with children who tend to make higher incomes than other household types.
- Much of the limitation to increased housing development on Salt Spring Island is due to infrastructure limitations such as the supply of adequate water that restricts development. The primary supplier of water, the North Salt Spring Waterworks District, has established a moratorium on new water connections as there is uncertainty that existing water customers can be adequately served during periods of drought.

Infrastructure

- Drinking water on Salt Spring Island is provided through improvement districts and private systems. The NSSWD is the largest on the island, providing water to over 5500 year-round residents and the village of Ganges. Water availability and quality is a consideration on the Gulf Islands.
- Island Health Authority requires additional treatment of water sourced from Maxwell Lake to alleviate potential health risks. Residents are concerned about the potential cost as a treatment facility is estimated to cost approximately \$10 million.
- Ministry staff engaged with NSSWD from Fall 2017 through to 2022 about exploring options to convert the service to enable access to grant funds through the CRD. NSSWD chose not to pursue any pathway provided to work with the CRD.
- The \$1 billion Growing Communities Fund is accessible to regional districts, which are responsible for much of the service infrastructure on the Gulf Islands.
- Generally, regional districts construct, manage and collect taxes for amenities in local trust areas. While providing land development approvals, local trust committees do not have a direct role in implementing development cost charges and other tools to finance expanded infrastructure to serve growing populations.
- Similar to how regional districts can currently collect development cost charges in local trust areas to pay for infrastructure related services, regional districts will be able to collect amenity cost charges on building

permits in electoral areas to pay for amenity related services like recreation centres and libraries.

Governance

- The CRD and SSI residents have a long history of considering local governance and service provision options that will best serve residents.
- In three formal incorporation votes (1993, 2002, 2017), local voters have chosen to continue with the CRD as their local government.
- In the establishment of an LCC is viewed by some as a stepping-stone towards incorporation. Although the CRD board continues to make overall budget decisions, the LCC is an elected advisory body that supports consolidated decision making for services. The SSI LCC has responsibility for 14 services (not including housing (CRD) and land-use planning (IT)).

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ISLANDS TRUST, LAND USE PLANNING AND ROLE OF REGIONAL DISTRICTS

ISSUE

- The Islands Trust is a special-purpose government which has responsibility for land use planning in the Island Trust Area.

RECOMMENDED RESPONSE

- **The Islands Trust is responsible for land use planning and regulation in the Trust Area, in the context of the servicing and stewardship of regional districts, First Nations, the province, and other organizations.**
- **Recent legislative changes aimed at addressing the housing crisis must be balanced with the Trust's mandate to preserve and protect the unique environment of the Gulf Islands.**
- **The province continues to support the Islands Trust to implement new requirements in ways that support and enhance the Trust's mandate and advance reconciliation with First Nations.**

KEY FACTS

Planning Framework and Responsibilities

- The Local Trust Committees exercise the planning and land use authorities provided to local governments under Part 14 of the *Local Government Act*, which includes enactment of zoning and official community plan bylaws and issuance of development permits, in non-municipal parts of the Trust Area.
- The Islands Trust Council is responsible for adopting a Policy Statement outlining how the Trust will preserve and protect the overall Trust Area. Official community plans within the Trust Area must be consistent with the Policy Statement; in this regard, it is like a regional growth strategy. s.13; Intergovernmental Communications
- The Minister of Municipal Affairs approves the Islands Trust Policy Statement and official community plan bylaws.
- Regional districts remain responsible for most services, including regional parks, emergency services, building approvals, and services such as waterworks and fire protection; waterworks and fire protection are provided on some islands by improvement districts. Regional districts are eligible for infrastructure grants where they own the capital infrastructure, and

establishment of development finance mechanisms to fund expansion to meet growth-related demand.

- The Ministry of Transportation and Infrastructure is responsible for subdivision approval and road maintenance in the Trust area, other than on Bowen Island.
- The Islands Trust Area is within treaty and territorial lands and waters of many First Nation governments, which may sometimes have their own permitting requirements related to land use or applications.

Bill 35: *Short-Term Rentals Accommodations Act*

- Local Trust Committees can opt into a new provincial principal residence requirement, which only allows STRs in a principal residence and/or one secondary suite or accessory dwelling unit; the Islands Trust has the authority to adopt and enforce STR bylaws.
- The province is building a registry for STRs and will share information with local governments to support the enforcement of STR bylaws.
- The regulations have been designed to hold advertisers of STRs responsible for removing listings which do not include a valid local government business license (where required) and a provincial registry number.

Bill 44: *Housing Statutes (Residential Development) Amendment Act*

- Local governments are required to update their zoning bylaws to increase the minimum number of housing units allowed on single-family and duplex zoned lots with certain characteristics by June 30, 2024.
- This small-scale multi-unit housing requirement does not apply to Local Trust Committee zoning, in recognition of the Trust's special mandate to preserve and protect the Trust area and the limits on critical resources like water and waste disposal on the Gulf Islands.
- The Islands Trust will be required to update its Housing Needs Report, in line with local government requirements, but will be exempt from the requirement to update zoning and official community plan bylaws by December 31, 2025.

Governance

- In 2021 the Trust Council commissioned a report on the Trust's governance policies and practices. Trust Council received the report in early 2022 and established a Governance Committee to provide analytic support to the Trust Council on issues of governance shortly before the local elections.
- In 2024 the Trust Council plans to review and discuss the 2022 Governance Report, which to date has only been received for information.

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UBC LAND USE PLAN

ISSUE

- The University of British Columbia (UBC) submitted their amended Land Use Plan for the Point Grey campus lands on December 13, 2023, for consideration of adoption by the Minister of Municipal Affairs.

RECOMMENDED RESPONSE

- **Special legislation provides that the Minister of Municipal Affairs is responsible for enacting the Land Use Plan of the UBC for the Point Grey campus lands.**
- **UBC must adhere to the procedures outlined in the *Municipalities Enabling and Validating Act (No. 3)* and Ministerial Order M229/2010 to update or amend the existing Land Use Plan.**
- **The ministry is tasked with assessing the UBC Land Use Plan development process, the consultation that UBC conducted and its outcomes including area First Nations, the alignment with the Metro Vancouver Regional Growth Strategy (Metro 2050), and consulting with the Minister of Post-Secondary and Future-Ready Skills before determining the adoption of the Land Use Plan.**
- **Staff have begun review of the UBC submission. This comprehensive evaluation is expected to take several months, after which I will consider approval.**
- **Staff are working closely with UBC and the Ministry of Indigenous Relations and Reconciliation (MIRR) to address the concerns raised by the Musqueam Indian Band (MIB) in a letter to the UBC Board of Governors on the Land Use Plan.**

KEY FACTS

- Since 2010, land use on the UBC Point Grey campus has been regulated under a land use plan developed by UBC and enacted by the Minister of Municipal Affairs, rather than by Metro Vancouver.
- Under the *Municipalities Enabling and Validating Act (No. 3)* (the MEVA) and Minister's Order M229/2010, the Minister of Municipal Affairs approves any amendments to the UBC Land Use Plan.

- The Minister's role involves ensuring public input, balancing interests of Metro Vancouver, the Province, and UBC, and ensuring that the province's duty to consult with First Nations has been considered and fulfilled.
- The UBC holds authority over land use decisions on the Vancouver campus through the *University Act* and the MEVA. Decisions align with the UBC Land Use Plan adopted by the Minister of Municipal Affairs.
- The MEVA outlines factors the Minister must consider, providing options to adopt or reject the proposed UBC Land Use Plan based on the UBC submission.
- The UBC Board of Governors manages municipal-like land use decisions through policies. The system includes rules, plans, and guidelines, with decisions made by the Board, administration, and bodies such as the Development Permit Board.
- MUNI maintains the administrative role in ensuring that the Crown's consultation and accommodation obligations are met to consult all First Nations with asserted Aboriginal rights and title overlapping UBC's campus.
- Fifteen First Nations have been identified as potentially affected by decisions or activities on the campus lands, with the Musqueam Indian Band, the Squamish Nation and Tsleil-Waututh Nation having the strongest Aboriginal Interest.
- This marks the first major update to UBC's Land Use Plan since 2011. The Land Use Plan development involved extensive engagement, including over 13,000 interactions with the campus community and stakeholders, along with consultations with First Nations.
- In addition to mandated requirements, the ministry's review will assess alignment with recent housing and transportation legislation, addressing housing density and Transit-Oriented Areas, and considering assumptions related to the SkyTrain extension to the UBC campus.
- Upon completion, the proposed Land Use Plan developments are projected to increase the campus population to around 50,000. This expansion will enhance access to various types of housing and associated services, including market residential, affordable, and student/faculty rental housing.
- The UBC Land Use Plan facilitates various initiatives at UBC, encompassing commitments outlined in the Housing Action Plan and the seamless integration of the UBC SkyTrain extension within the campus.

Interests of an Indigenous People; Intergovernmental Communications

Interests of an Indigenous People; Intergovernmental Communications

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PUBLIC LIBRARIES - TOP ISSUES

ISSUE

- Campaign to increase provincial funding for public libraries.

RECOMMENDED RESPONSE

- **Libraries are a vital part of supporting people, wherever they live in British Columbia.**
- **The province reinvested in public libraries with a historic \$45 million contribution in March 2023, in addition to the \$14 million the province contributes annually to public libraries.**
- **I am aware of the social and economic pressures facing libraries and communities.**
- **I remain committed to working with communities and library stakeholders to strengthen public library services and province-wide programs.**

KEY FACTS

- Local governments provide the majority of funding to public libraries (95 percent on average) which are managed by local library boards. There are significant differences in budget scale and revenue sources between smaller and larger communities.
- Government has committed \$14 million in funding for public libraries within the Ministry's budget in 2024/25, which has been the level of funding since 2009/10.
 - This annual provincial contribution focuses on increasing the reach of local services and collections and supporting libraries in smaller communities.
- Advocates in the library community, including CUPE BC and local governments, are asking for a \$16 million/year increase to public library funding, for a total proposed budget of \$30 million/annually.
 - The campaign calls for increased and sustainable provincial funding so that libraries are better able to plan for core operations as they face strained budgets due to inflation and other social/economic pressures.
- The province heard the need for increased funding to supplement the core funding from communities across the province and provided \$45 million for public libraries, service partners and library federations in March 2023.
- This funding is helping libraries extend operating hours, programs, spaces, digital collections, improve access to technology and keep communities connected.

- The 2023 investment is the third one-time investment in public libraries in four years (for a total of \$56 million in one-time funding since 2020).
 - In March 2022, MUNI allocated \$8 million in COVID-19 Relief and Recovery funding.
 - In March 2020, a one-time investment of \$3 million was made to improve access to digital collections and technology.
- Ministry staff continue to review the funding distribution framework as part of actions under B.C.'s Strategic Plan for Public Library Service (2020) and are working with the library community to better understand challenges and trends with a view to developing a more sustainable and modernize approach to its provincial support/ funding.

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Water Meter Pilot Project

ISSUE

- Budget 2024 includes a provincial a commitment to establish a \$50 million research project for implementing water meters in a set of pilot communities.

RECOMMENDED RESPONSE

- **The drought the province experienced in 2023 highlighted the need to be efficient users of water.**
- **Water meters are a proven tool to identify leaks that lead to lost water, educate users, and support water conservation efforts.**
- **When it comes to water quantity, which is critical at all times, but especially during times of drought, it is much more cost effective for our communities to make the most of the water within the system than it is to increase a system's capacity.**
- **Metering results in gains of water quantity within existing water systems without requiring more expensive capital works such as reservoirs.**
- **MUNI will work with partners to develop a pilot program to assess the bulk purchase of water meters, and the effectiveness of metering in regions across the province.**
- **We know meters are an effective tool for demand side management, appropriate conservation rates, leak detection, and repair; however, there are still communities that are not metered.**
- **Water conservation has been supported and, in some cases, required through grant programs. To support this there has been funding and tools developed in the past.**
- **All communities and growing communities need adequate quantities of treated water; without it, economic growth being stalled.**
- **Building a strong, sustainable, innovative economy is a priority for our government.**

- **This is one of the provincial responses to the 2023 drought. Other actions are being taken by the Ministry of Emergency Management and Climate Readiness (EMCR) and Ministry of Water, Land, and Resource Stewardship (WLRS).**

KEY FACTS

- Summer 2023 had the greatest number of watersheds reach drought level five in British Columbia, drawing attention to the necessity of extending the availability of potable water available through community water systems.
- Universal metering is often cited as an effective tool but is considered cost-prohibitive to retroactively install in built communities. Aging distribution systems lose a significant amount of treated water through underground leaks.
- Meters are effective in identifying leaks, enabling appropriate rate setting, and educating users on their actual water use. The data provided by meters allow water purveyors to strategically target and repair section leaks of the distribution system as well as to identify high consumption by specific users.
- Enhancing metering results in significant gains of water quantity within existing water system without requiring more expensive capital works such as reservoirs.
- The hierarchy of water conservation steps for a water purveyor are metering, leak detection and repair, user education, rate setting, increased storage.
- As part of the pilot project, research and delivery partnership will be established to explore opportunities of bulk procurement of equipment. The pilot project will also include creating demonstration communities in each economic development region of the province and comparing universal metering to zone metering in smaller systems.
- EMCR, in collaboration with WLRS, advanced an omnibus asked through Budget 2024 for response items to the 2023 drought. Out of the suite of actions considered, the water meter pilot program is the responsibility of Municipal Affairs.

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Announcement of a Regional Funding Agreement with the Northwest BC Resource Benefits Alliance (RBA)

ISSUE

- Budget 2024 includes a provincial commitment to enter negotiations with the RBA on a \$250 million (\$50 million annually over five years) regional funding agreement.

RECOMMENDED RESPONSE

- **Building a strong, sustainable, innovative economy is a priority for our government, in all parts of the province.**
- **Our government is committed to listening to rural and northern voices to better understand the growing needs of their communities.**
- **We are all encouraged by the major industrial development occurring in Northwest BC, like LNG Canada, that will provide provincial revenue and lasting, multi-generational benefits to B.C. and Canada.**
- **There is significant industrial activity in the northwest; projections from the B.C. major projects inventory indicates that nearly 70% of all planned and recently completed major industrial projects are located within the RBA region.**
- **We recognize that along with these economic opportunities comes challenges for nearby communities. Major industrial development can have impacts on communities, affecting core community infrastructure, housing and emergency services.**
- **We also recognize the significant challenges that small, rural northern communities have in financing the construction of core community infrastructure.**
- **That is why since 2017, we have invested over \$336 million in local government infrastructure to ensure northern residents have access to core community services like water, sewer and roads.**

- **Our government is committed long term to the region and that is why we announced a new five-year, \$250 million regional funding agreement with the RBA.**
- **This regional agreement will provide northwest communities with a stable, predictable source of revenue. This will ensure that the region remains an attractive location not only for current residents, but also for new business and industries along with their workers.**

KEY FACTS

- Formed in 2014, the RBA is an informal regional association consisting of 21 local governments, including three regional districts (North Coast, Bulkley-Nechako, Kitimat-Stikine) and 18 member municipalities located within those three regional districts.
- The former Premier, in 2019 and 2020, publicly committed to a future agreement with the RBA. The commitments were made in recognition of the critical role the RBA region plays in the B.C. economy.
- LNG Canada is expected to provide \$23 billion in direct provincial revenue.
- On September 15, 2022, the province and the RBA entered into a memorandum of understanding (MOU). The MOU reflected the commitment of the parties to engage in a meaningful working relationship to develop a common understanding of issues.
- On September 21, 2023, the Premier and Minister of Municipal Affairs, met with RBA representatives to discuss the findings of the MOU work.

Advice/Recommendations; Intergovernmental Communications

- Communities will receive a funding allocation directly from the province. The province will impose conditions on the use of the funding through an agreement. Funding will be provided directly to RBA local governments, and

not require a competitive application process. This will result in RBA local governments receiving a stable source of revenue that will provide them with financial certainty and flexibility that will allow them to plan and fund their community infrastructure needs over the duration of the agreement.

- The province will negotiate with the RBA to determine an equitable method of allocating the funding to each local government. As a reference point, the province will use existing regional agreement methodology and formulas developed for other provincial grant programs, such as the Northern Capital and Planning Grant.
- The RBA region has been, and will continue to be, the center of industrial development and activity in the province. This industrial activity, like LNG Canada, will provide provincial revenues, and lasting, multi-generational benefits to all B.C. residents. The region with the most significant industrial activity is also the least populous region in the province. To ensure the area's local governments can both support and benefit from this industrial activity, the region requires a new source of stable revenues to ensure both residents and industry have access to core community infrastructure like water, sewer and roads.

CONTACT:

Brian Bedford Executive Director LGIF 778-698-3232

BUDGET AND FORECAST OVER THE NEXT THREE YEARS

ISSUE

- Breakdown of the budget and forecast for Municipal Affairs over the next three fiscal years.

RECOMMENDED RESPONSE

- **Breakdown of the Municipal Affairs budget and forecast over the next three years, including operating and capital expenditures are as follows:**
 - **Estimates budget of \$288.305 million operating in 2024/25 with an additional \$4.835 million in capital;**
 - **Forecast of \$289.954 million operating in 2025/26 with an additional \$1.702 million in capital;**
 - **Forecast of \$290.141 million operating in 2026/27 with an additional \$1.302 million in capital.**

Municipal Affairs	2023/24 Restated Estimates ¹	2024/25 Estimates	2025/26 Plan	2026/27 Plan
Operating Expenses (\$000)				
Total	269,462	288,305	289,954	290,141
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)				
Total	835	4,835	1,702	1,302

¹ For comparative purposes, amounts shown for 2023/24 have been restated to be consistent with the presentation of the 2024/25 Estimates.

KEY FACTS

Financial Summary

(\$000s)	2023/24 Restated Estimates ¹	2024/25 Estimates	2025/26 Plan	2026/27 Plan
Operating Expenses				
Local Government	221,845	222,432	222,471	222,471
Immigration Services and Strategic Planning	24,912	40,956	42,315	42,315
Executive and Support Services	9,140	10,035	10,035	10,035
University Endowment Lands Administration Account	13,565	14,882	15,133	15,320
Total	269,462	288,305	289,954	290,141
Capital Expenditures				
Executive and Support Services	2	2	2	2
University Endowment Lands Administration Account	833	4,833	1,700	1,300
Total	835	4,835	1,702	1,302

¹ For comparative purposes, amounts shown for 2023/24 have been restated to be consistent with the presentation of the 2024/25 Estimates.

*Further information on program funding and vote recoveries is available in the [Estimates and Supplement to the Estimates](#).

CONTACT:

Kim Horn ADM/EFO MSD 250-896-3680

ISSUE

- Increase to FTEs.

RECOMMENDED RESPONSE

- **As of January 31st, 2024, Ministry of Municipal Affairs (MUNI) saw a Full Time Equivalent (FTE) average number increase of 8 FTEs compared to Restated 2022/23 average.**
- **The reduction of 4 FTEs in Local Government Division was related to hiring lags.**
- **The increase of 9 FTEs in Immigration Services and Strategic Planning was related to the Provincial Nominee Program (7 FTEs) for nominee application review, and Community Gaming Grants (2 FTEs) for reviewing gaming grant applications.**
- **The increase of 3 FTEs in Executive and Support Services was related to additional corporate services support for MUNI.**

KEY FACTS

- Average number of FTEs is based on the average number of FTE's working during the fiscal year. This takes into account staff starting or leaving partway through a fiscal year and gives an average of the total FTE's each month.

Breakdown of the FTE average burn year over year change from 2022/23 to 2023/24:

	FTE Average Burn as at March 31, 2023 Restated ¹	FTE Average Burn as at January 31, 2024	Year over year change
Local Government	97	93	-4
University Endowment Lands	20	20	0
Subtotal Local Government	117	113	-4
Strategic Planning	7	7	0
Workforce and Immigration	109	116	7
Community Gaming Grants	18	20	2
Subtotal Immigration Services and Strategic Planning	134	143	9
Ministers' Offices ²	5	5	0
Deputy Minister's Office	7	7	0
Corporate Services ³	75	78	3
Subtotal Executive and Support Services	87	90	3
Total MUNI FTE's	338	346	8
JEDI Management Services FTES ⁴	38	51	13
Total Including JEDI Management Services FTE	376	397	21

Notes:

1 March 31, 2023 FTE count restated to MUNI's current organizational structure

2 Ministers' Offices salaries and benefits budget supports a staffing complement of 5 FTEs

3 Corporate Services includes ADM office and Management Services supporting the 4 Economy Sector Ministries

4 Includes management services FTEs supporting 4 Economy Sector ministries (51 of these FTEs are on JEDI's payroll)

CONTACT:

Kim Horn

ADM/EFO

MSD

250-896-3680

MINISTRY OF MUNICIPAL AFFAIRS

The mission of the Ministry of Municipal Affairs is to provide British Columbians with liveable environments by helping local governments and residents build sustainable, well-governed communities; support newcomers to settle and integrate into the province; facilitate economic integration to address British Columbia's labour market needs; and attract international entrepreneurs.

MINISTRY SUMMARY

(\$000)

	Estimates 2023/24 ¹	Estimates 2024/25
VOTED APPROPRIATION		
Vote 40 — Ministry Operations.....	255,897	273,423
STATUTORY APPROPRIATION		
University Endowment Lands Administration Account.....	13,565	14,882
OPERATING EXPENSES	<u>269,462</u>	<u>288,305</u>
CAPITAL EXPENDITURES ²	835	4,835
LOANS, INVESTMENTS AND OTHER REQUIREMENTS ³	—	—
REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES ⁴	—	—

NOTES

¹ For comparative purposes, figures shown for the 2023/24 operating expenses; capital expenditures; loans, investments and other requirements; and revenue collected for, and transferred to, other entities are restated to be consistent with the presentation of the 2024/25 *Estimates*. A reconciliation of restated operating expenses and capital expenditures is presented in Schedule A.

² A listing of estimated capital expenditures by ministry is presented in Schedule C.

³ A summary of loans, investments and other requirements by ministry is presented in Schedule D.

⁴ A summary of revenue collected for, and transferred to, other entities by ministry is presented in Schedule E.

MINISTRY OF MUNICIPAL AFFAIRS

SUMMARY BY CORE BUSINESS

(\$000)

	2023/24	2024/25 ESTIMATES		
	Net	Gross	External Recoveries	Net
OPERATING EXPENSES				
Core Business				
Local Government.....	221,845	420,643	(198,211)	222,432
Immigration Services and Strategic Planning.....	24,912	196,957	(156,001)	40,956
Executive and Support Services.....	9,140	10,038	(3)	10,035
University Endowment Lands Administration Account Special Account.....	13,565	14,882	—	14,882
TOTAL OPERATING EXPENSES	<u>269,462</u>	<u>642,520</u>	<u>(354,215)</u>	<u>288,305</u>
CAPITAL EXPENDITURES				
	Capital Expenditures	Capital Expenditures	Receipts and P3 Liabilities	Net
Core Business				
Executive and Support Services.....	2	2	—	2
University Endowment Lands Administration Account Special Account.....	833	4,833	—	4,833
TOTAL	<u>835</u>	<u>4,835</u>	<u>—</u>	<u>4,835</u>

MINISTRY OF MUNICIPAL AFFAIRS

VOTE DESCRIPTIONS
(\$000)

Estimates
2023/24

Estimates
2024/25

VOTE 40 — MINISTRY OPERATIONS

This vote provides for the programs, operations, and other activities described in the voted appropriations under the following core businesses: Local Government, Immigration Services and Strategic Planning, and Executive and Support Services.

LOCAL GOVERNMENT

Voted Appropriations

Local Government Services and Transfers.....	215,645	216,232
University Endowment Lands.....	6,200	6,200
	<u>221,845</u>	<u>222,432</u>

Voted Appropriations Description: This sub-vote provides for the administration of core local government legislation, including the *Community Charter*, the *Local Government Act*, and the *Local Government Grants Act*; financial and other support to local governments and related organizations; development and administration of policy, legislation, and regulations; and the management and delivery of cross-government initiatives. These activities may involve consultation with other ministries; agencies; governments, including local governments; First Nations; and external stakeholders. This sub-vote also provides for the operation of the University Endowment Lands, and for funding to support the public library system. Costs may be recovered from special accounts, ministries, organizations within the government reporting entity, other organizations, and local and federal governments for activities described within this sub-vote.

IMMIGRATION SERVICES AND STRATEGIC PLANNING

Voted Appropriations

Strategic Planning.....	605	783
Provincial Nominee Program.....	—	1
Workforce and Immigration.....	22,026	37,720
Community Gaming Grants.....	2,281	2,452
	<u>24,912</u>	<u>40,956</u>

Voted Appropriations Description: This sub-vote provides for the development and implementation of provincial plans, programs, and policies related to administration of the British Columbia Provincial Nominee Program and immigrant settlement and integration services, including negotiating and entering into agreements or arrangements with parties inside and outside of British Columbia; and the administration of community gaming grants under the *Gaming Control Act* by the manager of community gaming grants, as well as the distribution of gaming proceeds through community gaming grants. Costs related to the British Columbia Provincial Nominee Program are fully cost-recoverable from fees. Costs may also be recovered from ministries, the British Columbia Lottery Corporation, other organizations, and local and federal governments for activities described within this sub-vote.

EXECUTIVE AND SUPPORT SERVICES

Voted Appropriations

Minister's Office.....	693	693
Corporate Services.....	8,447	9,342
	<u>9,140</u>	<u>10,035</u>

Voted Appropriations Description: This sub-vote provides for the office of the Minister of Municipal Affairs. This sub-vote also provides for executive support of the Ministry of Jobs, Economic Development and Innovation; the Ministry of Labour; the Ministry of Municipal Affairs; and the Ministry of Tourism, Arts, Culture and Sport; including financial administration and budget coordination, strategic and business planning and reporting, human resources, office management, accommodation, and information systems; and support for ministry programs and initiatives. Costs may be recovered from ministries, Crown agencies, other levels of government, and parties external to government for activities described within this sub-vote.

VOTE 40 — MINISTRY OPERATIONS	255,897	273,423
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MINISTRY OF MUNICIPAL AFFAIRS

STATUTORY DESCRIPTIONS

(\$000)

Estimates
2023/24Estimates
2024/25

STATUTORY APPROPRIATIONS

This statutory appropriation provides for the programs, operations, and other activities of the following special account: University Endowment Lands Administration Account.

UNIVERSITY ENDOWMENT LANDS ADMINISTRATION ACCOUNT

Statutory Appropriation

University Endowment Lands Administration Account.....	13,565	14,882
--	--------	--------

Statutory Appropriation Description: This statutory appropriation provides for the University Endowment Lands Administration Account which is governed under the *University Endowment Land Act*.

MINISTRY GROUP ACCOUNT CLASSIFICATION SUMMARY

GROUP ACCOUNT CLASSIFICATION

Salaries and Benefits	32,972	43,265
Operating Costs	15,312	17,845
Government Transfers	560,336	581,099
Other Expenses	13,802	15,197
Internal Recoveries	(13,569)	(14,886)
External Recoveries	(339,391)	(354,215)
TOTAL OPERATING EXPENSES.....	269,462	288,305

MINISTRY OF MUNICIPAL AFFAIRS

SPECIAL ACCOUNTS¹

(\$000)

	Estimates 2023/24	Estimates 2024/25
UNIVERSITY ENDOWMENT LANDS ADMINISTRATION ACCOUNT		
This account was established as a Miscellaneous Statutory Account by authority of the <i>University Endowment Lands Administration Act</i> and was continued under the <i>University Endowment Land Act</i> in 1979. This account provides for services to residents of the University Endowment Lands. Revenue is derived from University Endowment Lands resident ratepayer contributions, including fees, licences, and property taxes. Other revenue sources (net of direct costs) include land sales, rent from land tenures, fees, and the recovery of costs associated with a redevelopment/rezoning process. Expenses include the ratepayer's portion of costs transferred from the Ministry Operations Vote for services provided.		
SPENDING AUTHORITY AVAILABLE AT THE BEGINNING OF THE FISCAL YEAR ².....	23,891	23,385
OPERATING TRANSACTIONS		
Revenue.....	13,565	14,882
Expense.....	(13,565)	(14,882)
Net Revenue (Expense).....	—	—
FINANCING TRANSACTIONS		
Receipts.....	—	—
Disbursements.....	—	—
Capital Expenditures.....	(833)	(4,833)
Net Cash Source (Requirement).....	(833)	(4,833)
Working Capital Adjustments and Other Spending Authority Committed ³	327	327
PROJECTED SPENDING AUTHORITY AVAILABLE AT THE END OF THE FISCAL YEAR ².....	23,385	18,879

NOTES

¹ A Special Account is an account in the General Fund where the authorization to spend money from the account is located in an Act other than the *Supply Act*.

² The Spending Authority Available at the Beginning of the Fiscal Year 2023/24 is based on the 2022/23 *Public Accounts*. The Projected Spending Authority Available at the End of the Fiscal Year represents the cash and temporary investments projected to be available at the end of each fiscal year.

³ The Working Capital Adjustments and Other Spending Authority Committed includes those adjustments that would change the cash balance of the Special Account. This may include amortization expense, changes in accounts receivable and payable, and the recognition of deferred revenues.

MINISTRY OF MUNICIPAL AFFAIRS
(\$000)

VOTE 40 Ministry Operations

Description	Total 2023/24 Operating Expenses	50	51	52	54	Total Salaries and Benefits	55	57	59	60	63	65	67	68	69
Local Government	221,845	11,538	88	2,931	—	14,557	—	221	665	4,339	249	660	—	2	6,977
Local Government Services and Transfers	215,645	9,520	55	2,418	—	11,993	—	213	545	664	219	370	—	2	—
University Endowment Lands	6,200	2,018	33	513	—	2,564	—	8	120	3,675	30	290	—	—	6,977
Immigration Services and Strategic Planning	24,912	15,754	14	4,001	—	19,769	—	208	99	219	1,616	413	30	—	—
Strategic Planning	605	591	2	150	—	743	—	16	—	14	3	9	—	—	—
Provincial Nominee Program	—	10,602	—	2,693	—	13,295	—	162	85	200	1,378	328	2	—	—
Workforce and Immigration	22,026	2,661	8	676	—	3,345	—	20	14	5	200	56	28	—	—
Community Gaming Grants	2,281	1,900	4	482	—	2,386	—	10	—	—	35	20	—	—	—
Executive and Support Services	9,140	7,032	40	1,809	58	8,939	—	136	23	120	326	382	—	—	7
Minister's Office	693	415	—	129	58	602	—	58	—	—	10	20	—	—	—
Corporate Services	8,447	6,617	40	1,680	—	8,337	—	78	23	120	316	362	—	—	7
Total	255,897	34,324	142	8,741	58	43,265	—	565	787	4,678	2,191	1,455	30	2	6,984

Statutory Appropriations

Description	Total 2023/24 Operating Expenses	50	51	52	54	Total Salaries and Benefits	55	57	59	60	63	65	67	68	69
University Endowment Lands Administration Account	13,565	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	13,565	—	—	—	—	—	—	—	—	—	—	—	—	—	—

70	72	73	75	Total Operating Costs	77	79	80	Total Govt Transfers	81	83	85	Total Other Expenses	86	88	Total Internal Recoveries	89	90	Total External Recoveries	Total 2024/25 Operating Expenses
375	—	408	9	13,905	194,134	1,123	211,790	407,047	—	—	17	17	(14,882)	(1)	(14,883)	(1,000)	(197,211)	(198,211)	222,432
—	—	81	9	2,103	194,134	1,123	203,780	399,037	—	—	11	11	—	(1)	(1)	—	(196,911)	(196,911)	216,232
375	—	327	—	11,802	—	—	8,010	8,010	—	—	6	6	(14,882)	—	(14,882)	(1,000)	(300)	(1,300)	6,200
—	—	—	270	2,855	140,000	—	34,052	174,052	—	—	282	282	—	(1)	(1)	(1)	(156,000)	(156,001)	40,956
—	—	—	—	42	—	—	—	—	—	—	1	1	—	(1)	(1)	(1)	(1)	(2)	783
—	—	—	270	2,425	—	—	—	—	—	—	280	280	—	—	—	—	(15,999)	(15,999)	1
—	—	—	—	323	—	—	34,052	34,052	—	—	—	—	—	—	—	—	—	—	37,720
—	—	—	—	65	140,000	—	—	140,000	—	—	1	1	—	—	—	—	(140,000)	(140,000)	2,452
16	—	42	33	1,085	—	—	—	—	—	—	16	16	—	(2)	(2)	(2)	(1)	(3)	10,035
3	—	—	—	91	—	—	—	—	—	—	—	—	—	—	—	—	—	—	693
13	—	42	33	994	—	—	—	—	—	—	16	16	—	(2)	(2)	(2)	(1)	(3)	9,342
391	—	450	312	17,845	334,134	1,123	245,842	581,099	—	—	315	315	(14,882)	(4)	(14,886)	(1,003)	(353,212)	(354,215)	273,423

70	72	73	75	Total Operating Costs	77	79	80	Total Govt Transfers	81	83	85	Total Other Expenses	86	88	Total Internal Recoveries	89	90	Total External Recoveries	Total 2024/25 Operating Expenses
—	—	—	—	—	—	—	—	—	14,882	—	—	14,882	—	—	—	—	—	—	14,882
—	—	—	—	—	—	—	—	—	14,882	—	—	14,882	—	—	—	—	—	—	14,882

Ministry of Municipal Affairs

2024/25 – 2026/27 Service Plan

February 2024



For more information on the Ministry of Municipal Affairs contact:

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Published by the Ministry of Municipal Affairs

Minister's Accountability Statement



The Ministry of Municipal Affairs 2024/25 – 2026/27 Service Plan was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*. I am accountable for the basis on which the plan has been prepared.

A handwritten signature in black ink that reads "Anne Kang". The signature is fluid and cursive.

Honourable Anne Kang
Minister of Municipal Affairs
February 9, 2024

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Strategic Direction

In 2024/25, the Government of British Columbia will remain focused on providing the services and infrastructure that people depend on to build a good life. Government will continue delivering results that matter to British Columbians including helping people with costs, attainable and affordable housing, strengthened health care, safer communities, and a secure, clean and fair economy. Government will continue working collaboratively with Indigenous Peoples as it implements the Action Plan for the Declaration on the Rights of Indigenous Peoples Act and delivers initiatives that advance reconciliation in ways that make a difference in communities throughout the province.

This 2024/25 service plan outlines how the Ministry of Municipal Affairs will support the government's priorities including the foundational principles listed above and selected action items identified in the January 2024 [Minister's Mandate Letter](#).

Purpose of the Ministry

The Ministry of Municipal Affairs helps make B.C. communities great places to live by taking leadership in supporting local governments, public libraries, not-for-profit organizations and residents to build vibrant and healthy communities that are well governed, liveable, safe and diverse as well as economically, socially and environmentally resilient.

The Ministry supports newcomers to settle and integrate into the province, facilitates economic immigration to address B.C.'s labour market needs and attracts international entrepreneurs.

The Ministry also oversees the University Endowment Lands and works with public library partners to sustain the public library system.

The effective delivery of the Ministry's mandate relies on key legislation, including the [Community Charter](#), [Vancouver Charter](#), [Local Government Act](#), [Municipal Aid Act](#), [Municipal Finance Authority Act](#), part six of the [Gaming Control Act](#), [Islands Trust Act](#), [University Endowment Land Act](#), [Provincial Immigration Programs Act](#), immigration provisions of the [Ministry of International Business and Immigration Act](#), and [Library Act](#).

Operating Environment

Employers across British Columbia and the rest of Canada continue to report that they are having challenges finding the workers they need. In response, the federal government has set ambitious national immigration targets in the coming years to help meet the labour needs of employers, including a target of 500,000 new permanent residents coming to Canada in 2025. In this context, British Columbia will welcome an increasing number of immigrants, and has requested the federal government to allow the B.C. Government to bring forward more BC Provincial Nominee Program nominations to increase immigrants with the skills that are needed by B.C. employers.

Local governments and service providers continue to be challenged by inflation, labour markets, material shortages and supply chain restrictions, impacting affordability through escalating costs. These pressures are expected to continue driving up capital project costs. Climate-driven events like wildfires, atmospheric rivers and drought conditions will continue to prioritize the rebuilding of local and provincial infrastructure with greater resilience.

Housing supply and affordability continue to be a priority in every community around the province. Recent legislative changes to support development of greater and more diversified housing supply will align housing needs, official community plans, site-specific zoning and development finance. These changes will require local governments to focus on rapidly removing barriers to housing development and preparing services, infrastructure, and amenities to support growth at the local level.

Updated emergency and disaster management legislation reflects the realities of today's world, taking into account global pandemics, security threats and climate change. Current legislation shifts from a focus on emergency response, to the four pillars of emergency management, with an emphasis on disaster risk reduction as outlined in the [Sendai Framework](#). The role of local governments in preparing for and responding to emergencies has been changing, so that local governments will now need to rethink, revisit, and revise aspects of their emergency management programs to account for Indigenous partnerships and a broader range of hazards.

The Ministry will continue to approach these challenges by strengthening relationships with local governments individually and collectively through the [Union of British Columbia Municipalities](#), by deepening understanding of the needs and realities of Indigenous communities, by renewing partnerships with provincial agencies involved in the development of urban and rural communities, and by seeking opportunities for increased partnerships with the federal government.

Economic Statement

B.C.'s economy posted modest growth last year as interest rate increases weighed on the economy, and employment continued to expand, supported by immigration. Inflation in the province continued to ease and the Bank of Canada has not raised its policy interest rate since July 2023. The impact of higher rates on borrowing costs and elevated household debt led to lower consumer spending and reduced home sales. Lumber, natural gas and coal prices declined in 2023, reducing the value of the province's goods exports. Meanwhile, there was a record number of housing starts in the province in 2023. There is uncertainty over the transmission of high interest rates to the residential construction sector and the duration of slower growth for the rest of the economy in B.C. and among our trading partners. The Economic Forecast Council (EFC) estimates that B.C. real GDP expanded by 0.9 per cent in 2023 and expects growth of 0.5 per cent in 2024 and 2.1 per cent in 2025. Meanwhile for Canada, the EFC estimates growth of 1.1 per cent in 2023 and projects national real GDP growth of 0.5 per cent in 2024 and 1.9 per cent in 2025. As such, B.C.'s economic growth is expected to be broadly in line with the national average in the coming years. The risks to B.C.'s economic outlook continue to center around interest rates and inflation, including the risk of price

increases stemming from geopolitical conflicts, the potential for interest rates remaining higher for longer, and uncertainty around the depth and timing of the impact on housing markets. Further risks include ongoing uncertainty regarding global trade policies, lower commodity prices, climate change impacts and the volatility of immigration levels.

Performance Planning

Goal 1: Strong, sustainable, and well-governed communities

Objective 1.1: Further a governance system that considers local government and provincial interests and builds strong relationships for the benefit of all people.

Provincial and local governments have responsibilities that often overlap, intersect and interact. Governments at both levels are therefore most effective when policies and services are coordinated to meet the needs of communities, regions, and the province.

Key Strategies

- Work with the Union of British Columbia Municipalities (UBCM) and other local government partners, to ensure the annual UBCM Convention provides a comprehensive exchange of ideas and optimizes cooperation and collaboration among the province, UBCM, individual local governments, and UBCM First Nations members.
- Support local governments in building respectful relationships and fostering meaningful and lasting Reconciliation with First Nations, consistent with the *Declaration on the Rights of Indigenous Peoples Act* (Declaration Act), as the province's framework for Reconciliation. Collaborate with UBCM on providing advice to local governments. Under the *Declaration Act*, continue to meet, engage, and collaborate with First Nation communities and Indigenous partners and organizations.
- Review and enhance the policy, legislative and education framework for local governments where needed, including working with key stakeholders and partners to move forward on provincial priorities, and make progress on established initiatives.
- Provide advice, resolve problems, and give targeted support and oversight on a range of local and regional governance matters of local government and provincial interest, both directly, and in partnership with others.
- Work with public libraries, local governments and library partner associations to sustain a public library system that is effectively governed and accountable, where provincial funding helps extend local services and improve access throughout B.C.

Discussion

Establishing relationships and developing capacity and skills are critical in the initial years of local elected officials' terms. The ministry achieves this through inter-agency and regional gatherings, establishing opportunities for dialogue and support for structured educational initiatives like the Local Government Leadership Academy.

Evolving provincial initiatives under the Declaration Act impact the context of land use management, services, governance strategies and representation for local governments. As independent governments, municipalities and regional districts in British Columbia are engaged in implementing the [Truth and Reconciliation Commission Calls to Action](#), and look to

the province for guidance on implementation of the *Declaration on the Rights of Indigenous Peoples Act*, to understand emerging obligations and support changes throughout communities.

Objective 1.2: Maintain local governments' financial sustainability so they can meet the service needs of their communities.

The Ministry of Municipal Affairs supports local governments with their legislated financial responsibilities to promote the long-term sustainability of the local government system. This includes support for a system of joint borrowing that results in significant savings on interest costs, benefiting local governments of all sizes. The Ministry also recognizes the need to examine economic issues that currently impact local governments and to consider the financial system in light of these issues.

Key Strategies

- Support ministries and other partners in reviewing the local government financial system, including pressures related to costs, revenues, and property tax impacts.
- Provide advice on local government finance and statutory approvals to support sound financial management practices and stewardship, ensuring fiscal viability.
- Deliver stable, predictable, and timely grant funding for professional administration to smaller and rural local governments throughout B.C. through the Small Community Grants and Regional District Grants.
- Provide targeted funding to municipalities with over 5,000 people for community safety initiatives, through the Traffic Fine Revenue Sharing Program.
- Support the Municipal Finance Authority (MFA) in obtaining a high credit rating, and low rates for borrowing, through oversight of the *Municipal Finance Authority Act*. Support includes setting local government borrowing limits; reviewing and approving loan authorization bylaws and setting financial reporting requirements, and ensuring local government financial data is available to the MFA and the broader public.
- Work with UBCM and Ministry of Finance, through the established Memorandum of Understanding, further to the [Ensuring Local Government Financial Resiliency: Today's Recovery and Tomorrow's New Economy](#) report and recommendations.

Discussion

The emerging economic context of climate change impacts, housing affordability and increases in demand and costs for services have put some communities and their local governments under tremendous pressure for additional revenues. Local governments are primarily reliant on property tax and fees to recover the costs of critical services. As costs of these services and related infrastructure have significantly increased, it has become apparent that communities throughout B.C. have varying levels of capacity to address these costs without impacting service levels.

Community growth and increased housing supply mean local governments will need to fund expanded services and infrastructure. This envisioned future will rely on cost recovery from developers that benefit from growing communities, in addition to property taxes, fees, and grants. Recognizing this, the Ministry is working with the Ministries of Finance and Housing, and with the Union of BC Municipalities to expand the tools that are available to local governments to finance service and infrastructure costs.

In 2023, the regulation that governs grants from the Ministry to local governments was amended to enable non-application conditional grants under the Growing Communities Fund which is helping communities prepare for growth and build the amenities and services needed to support new home construction.

Objective 1.3: Support improvement of community and regional infrastructure and local government planning to further the environmental, economic and social health of communities.

Local government responsibilities for community planning, building, maintaining community infrastructure and approving developments influence the shape of communities for decades, and shape the environmental, social, and economic context for future growth and health.

Key Strategies

- Encourage resilient, efficient and effective community planning and fiscal and asset management practices to support the development of sustainable communities.
- Support local governments to make effective, integrated and collaborative choices through problem solving, guidance and program support for delivery of local and regional services such as water, recreation and economic development, and integrated sustainable land use, resiliency and infrastructure planning.
- Support the Ministries of Housing, and Transportation and Infrastructure, in advancing the Homes for People plan by supporting local government implementation of measures to accelerate development approvals.
- Support the implementation of the [CleanBC Roadmap to 2030](#) and Climate Preparedness and Adaptation Strategy by enabling local government land use planning and infrastructure projects through initiatives such as the CleanBC Communities Fund and development of the Complete Communities Program.
- Partner with the federal government and other ministries to develop and implement community capital funding programs for local governments and First Nations that build and upgrade local infrastructure including drinking water, wastewater, stormwater, clean energy, recreation facilities and community centres.
- Support ministries and other partners to develop initiatives related to integrated planning, transit-oriented development, clean transportation, regional growth strategies, energy and the environment, and housing supply and affordability.

Discussion

Local governments face pressure to manage immediate concerns while also considering decisions about development and infrastructure that have long-term impacts. The choices local governments make in the form, quantity and location of development approvals and scale, placement and technology of infrastructure to support development have impacts that last for decades, while also meeting urgent needs for affordable homes, a healthy and clean environment, community safety and an economy that supports local jobs.

Provincial and federal resources have traditionally been accessible for major capital projects that support the current population to make infrastructure renewal more affordable. Development and growth have been expected to cover the cost of expanding infrastructure to meet the additional demand placed on services.

In response to the urgency of the housing crisis, government has made several inter-related changes to the legislative framework to unlock housing development and create more predictability in the funding of growth-related infrastructure and amenities. The ministry will work with Ministry of Housing to assess implementation of the broader categories of development cost charges and the introduction of amenity cost charges approaches, and consider measures to fine-tune development finance and monitor the impacts as needed.

Performance Measures

Performance Measure	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
1.1 Ministry of Municipal Affairs meetings with UBCM Executive, and UBCM member local governments and First Nations, and regional meetings with local government leaders.	275+	275+	275	275

Data source: Meeting schedules (calendar meeting invites) and agendas for senior staff and Minister’s meeting at UBCM Convention and throughout the year. Meetings with Ministry staff that occur at UBCM Convention are included, but other meetings are not counted.

Discussion

The ministry meets with local governments on a wide variety of topics throughout the year to hear their experiences and perspectives and look for opportunities to align interests and priorities and to resolve pressing concerns. The relationship between the Minister of Municipal Affairs and the UBCM Executive highlights the role of the Minister as a conduit of communication and advocacy between local governments collectively and the provincial Cabinet. The Minister typically joins the UBCM Executive for a portion of their meetings quarterly and collaborates with them on bringing together local and provincial government leaders for the annual UBCM Convention.

The UBCM represents 196 municipalities, regional districts, First Nations, and the Islands Trust, and is a key partner in the province’s relationship building with local governments providing a common voice for local elected officials. As the host Minister for the annual UBCM Convention, the Minister of Municipal Affairs typically meets directly with over a quarter of the UBCM members to discuss local matters. The ministry also manages over 400 meeting requests and schedules for other ministries and agencies at UBCM Convention, bringing them together with UBCM members to discuss topics of interest.

Meetings with individual local governments and regional local leaders also occur throughout the year as interest and issues arise, with both the Minister and senior executives and program staff. For example, in 2023 meetings were held with the Municipal Affairs Minister and staff, Ministry of Emergency Management and Climate Readiness senior staff and local governments to provide updates on the wildfire and drought situation, including the provincial response, and to answer local governments’ questions.

Meetings with both the Minister and senior staff have increased over the past three years with the ability to meet either online or in person depending on the issue or circumstances and the increase noted above reflects this trend.

Performance Measure	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
1.2 Municipal Finance Authority’s Credit Rating	AAA	AAA	AAA	AAA

Data source: [Municipal Finance Authority](#) Ratings provided by the Moody’s, Standard & Poor’s, and Fitch rating agencies

Discussion

A strong credit rating of the MFA results in more affordable borrowing for major projects and reflects the sustainability of the local government financial system, which gives local governments the freedom to engage in capital projects that touch the lives of people in B.C. every day.

The value of the strong MFA credit rating increases as interest rates rise, allowing infrastructure that is financed over a 30-year term to be significantly more affordable for local governments. This results in sustainable local government services at reduced property tax cost for community members. This measure reflects both the effectiveness of provincial financial oversight and the design of the financing model that ensures regional and provincial-scale support to make payments in the unlikely event that an individual local government is unable to raise sufficient revenues to service its debt.

Goal 2: Communities and regions are resilient, with economies that work for British Columbians

Communities and regions in British Columbia are in the midst of cultural, social, environmental and economic shifts. Changing contexts for community and regional governance require both near-term adaptation and long-term thinking about a desirable future state.

Objective 2.1: Local governments are implementing strategies to improve community sustainability and affordability

Key Strategies

- Continue to leverage ministry infrastructure funding programs to encourage local governments to innovate, and to prioritize projects that deliver environmental, economic and/or social benefits.
- Partner with other ministries and other levels of government to support opportunities for local governments that improve their social and economic development. This could include urban/rural economic development, First Nations' relationships, emergency preparedness, viable transit options and reducing homelessness, as well as addressing mental health and addictions, childcare and poverty reduction.
- In collaboration with the Union of British Columbia Municipalities and the Climate Action Secretariat, renew the work of the joint Provincial-UBCM Green Communities Committee to support local governments in achieving local and provincial climate objectives.
- Support ministries and work with local governments to advance integrated and sustainable land use, infrastructure and transportation planning.
- Support partner ministries in advancing initiatives and legislative supports to enable increased pace and volume of affordable housing projects in communities and the infrastructure and finance tools to enable that development.
- In partnership with the federal government and the Union of British Columbia Municipalities, continue to implement the Canada Community Building Fund that came into effect on April 1, 2014. Engage in effective negotiations to establish the next agreement to ensure continuity of the Fund from 2024 onward.
- Promote the effective development, adoption, and implementation of Regional Growth Strategies.

Discussion

Local governments have significant impacts on community sustainability and affordability through sustainable land use decisions to create complete, compact and energy efficient communities and regions. These decisions can lead to more diverse housing, greenspace and renewable energy and transportation, and are an opportunity to integrate social and economic objectives that improve equity, protect against disaster risk, and cultivate new businesses and economies. Investing in efficient and innovative infrastructure reduces borrowing and operating costs into the future, leaving more resources and flexibility to respond to emerging community needs. The ministry will continue to work strategically with public libraries and service partners to make use of the \$45 million investment from March 2023, sustaining and enhancing public library services throughout the province.

Objective 2.2: Communities have the water and waste management infrastructure to thrive

Local and regional economies rely on homes and businesses having access to clean, safe drinking water and adequate waste management. This critical infrastructure provides a basis for affordable communities, public health and environmental protection, and is a priority for creating effective recovery conditions in the wake of natural disasters.

Key Strategies

- Administer funding for local governments to help them achieve provincial water and waste management objectives (for example, the joint federal/provincial Environmental Quality Program helps communities to fund essential infrastructure).
- Monitor approved projects and advise on strategies to ensure project completion.
- Provide tools and resources to local governments to assist them in conserving and protecting water resources.
- Encourage local governments to use liquid and solid waste as a resource and maximize the recovery value.
- Through the grant programs and in partnership with Asset Management BC support the implementation of sound asset management practices for public infrastructure.
- Promote the use of effective life-cycle cost approaches to support local government land use and infrastructure planning resulting in sustainable service delivery.

Discussion

Funding water and waste management projects supports communities with achieving federal or provincial government-related provincial and federal -health or environmental standards. They assist in driving best practice in infrastructure management in line with provincial objectives, including efficient use of resources, environmental protection, and responsible infrastructure management practices for sustainable service delivery. These policies influence local government practice beyond those projects that are directly funded. Water and waste management are core community services that support all other services, businesses, and the public health of residents.

Objective 2.3: Communities impacted by extraordinary emergencies are resilient and their governance, financial, planning and infrastructure are supported to recover

Given the broad impacts of the pandemic and natural disasters such as extreme heat, wildfires, and floods on communities, this area of focus is on monitoring and supporting as communities work to re-establish services, adjust financial plans, and ensure good governance.

Key Strategies

- Work with local governments, UBCM and other partners to share information, monitor local government system impacts and respond to issues that arise.
- Provide guidance, advice and problem solving for communities, including initiating actions when required (e.g., Minister's orders, policy and legislative change), and collaborate with the Ministry of Emergency Management and Climate Readiness in the development of modernized emergency management legislation.
- Ensure infrastructure projects approved through economic recovery funding and disaster recovery support meet reporting requirements and achieve completion.
- Monitor and support specific communities impacted by emergencies, to coordinate governance, infrastructure, operations, finances, and planning activities to bridge from response into recovery and beyond from events with severe environmental and economic impacts.

Discussion

The layering of widespread and regional or local emergencies leads to differing degrees of disruption and challenges for communities and their civic institutions. Developing resiliency and collaborating on recovery requires partnership among multiple orders of government and across sectors to bring communities back from extraordinary emergencies.

The Ministry is continuing to consolidate the learning and experience of supporting local governments through the COVID-19 pandemic and subsequent extraordinary emergencies into its ongoing program and policy work and is proactively monitoring communities experiencing emergencies to determine any necessary governance and operations supports.

Performance Measures

Performance Measure	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
2.1a Funded water and wastewater projects reaching completion. ¹	14	32	26	12
2.1b Funded community, culture, or recreation projects reaching completion. ²	28	49	15	1
2.1c Funded energy efficiency projects reaching completion. ³	9	22	14	11
2.1d Funded community recovery infrastructure projects reaching completion. ⁴	60	9	1	2

Data source: Program applications and approvals, Ministry of Municipal Affairs.

¹Water and wastewater infrastructure may be funded under the ICIP Green Infrastructure (Environmental Quality program) or Rural and Northern Communities streams.

²Community, culture and recreation infrastructure may be funded under the ICIP Community, Culture and Recreation, or Rural and Northern Communities streams.

³Community infrastructure that reduces greenhouse gas emissions using clean or renewable energy or that improve energy efficiency may be funded under the ICIP Green Infrastructure (CleanBC Communities Fund) stream.

⁴Includes Disaster Recovery Support (such as for local government infrastructure following November 2021 floods) and ICIP COVID-19 Resilience Infrastructure stream (ICIP-CVRIS) projects. Project scope may include retrofits/repairs/upgrades to local government and Indigenous buildings, health or educational infrastructure, COVID-19 resilience infrastructure, active transportation, and disaster mitigation and adaptation infrastructure projects.

Discussion

The Investing in Canada Infrastructure Program (ICIP) cost-shares infrastructure investments between the governments of Canada and British Columbia, local governments and other partners over 10 years. Ministry of Municipal Affairs administers four of the five infrastructure funding streams: COVID-19 Resilience; Community, Culture and Recreation; Rural and Northern Communities; and Green Infrastructure (CleanBC Communities, Environmental Quality, and Adaptation, Resilience and Disaster Mitigation). Although application intakes have closed, construction of funded projects is expected to continue through 2027.

Projects typically take multiple years for planning, design and construction to be completed, with outcomes occurring after work has been completed. In the interim, the Ministry monitors funding and ensures accountability of projects through the review of regular progress reports, budget forecast reports and claims.

ICIP projects are delivered by local governments, First Nations, and in some cases, not-for-profits, with the province administering and monitoring grant funding. Forecasts and targets from 2023/24 to 2026/27 have changed since the last plan and reflect estimated timelines established for the projects by the project proponents. Changes reflect that more projects have been approved, and the timing of project completion varies due to project specific factors including construction delays (such as from material and labour availability, weather, etc.), time required for planning, seeking appropriate permits, and consultation, and projects proceeding more quickly than initially anticipated. Project timelines continue to be within parameters of the federal-provincial funding program.

Performance Measure	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
2.2 Funded projects from local governments, indigenous communities, and non-profits funded under the Northern Healthy Communities Fund.	70	24	20	N/A

Data source: Northern Development Initiative Trust (Deliver Agency) Program Tracking Documentation, Program Budget Allocation and LNG Canada/Coastal Gas Link Construction Schedule.

Discussion

The application-based \$25 million Northern Healthy Communities Fund (NHCF), administered by the Northern Development Initiative Trust (NDIT), supports initiatives that assist communities to remain healthy, sustainable, and resilient in the face of rapid and large-scale

economic development and associated need for enhanced social service readiness. Given the immediacy of the current economic development activities, the NHCF is focusing on communities adjacent to the LNG Canada and Coastal GasLink projects. While uptake was slow in some intake periods, program subscription has recently increased as NDIT staff continue to work directly with communities in support of their applications. The fund is expected to be fully expended by the 2026/27 fiscal year.

Goal 3: Communities are vibrant, inclusive, and enriched by the contributions of newcomers

Objective 3.1: International talent helps to address B.C.'s skills need and support sustainable economic development in communities across the province.

This objective focusses on how province-led immigration policy and program delivery support broader provincial goals relating to sustainable economic development. The Ministry relies upon several levers to do this, including administering the BC Provincial Nominee Program, collaboration with community and other partners, and federal advocacy. These levers afford the province the ability to prioritize occupations in essential sectors as well as regions outside the Metro Vancouver Regional District.

Key Strategies

- Align immigration policies and programs to provincial priorities and community needs.
- Continue to work with the Ministry of Post-Secondary Education and Future Skills to identify how immigration can best meet the skills needs of B.C.'s economy.
- Use B.C.'s Provincial Nominee Program (BC PNP) to help build a sustainable economy that creates opportunities for everyone by supplementing the workforce in occupations that the domestic workforce cannot fully supply by itself.
- Use the BC PNP to select nominees who will encourage regional development by settling in communities outside of major urban centers.
- Through B.C.'s PNP Entrepreneur Immigration Regional Stream, support regional communities to grow their economies and create jobs by attracting international entrepreneurs.
- Employ targeted initiatives and expanded collaboration to enhance attraction and retention of newcomers in rural, interior and coastal communities in B.C.

Discussion

The BC PNP is the only tool available to the province to directly select economic immigrants who will be coming to live and work in B.C. and create economic benefit.

The province has prioritized applications from tech sector workers for the BC PNP since 2017. In 2022, this practice was expanded to support other sectors with skill shortages, such as workers in the "care economy" (health care and early childhood education) occupations.

Historically, immigrants are attracted to major urban centres, but their skills and talents are needed across the province. Recent changes to the BC PNP enable the province to focus more on meeting B.C.'s labour market needs in areas outside of the Metro Vancouver Regional District.

In addition, the BC PNP Entrepreneur Immigration Regional stream supports the attraction of foreign entrepreneurs proposing a new business in areas with less than 75,000 population. Communities from across the province are participating in this initiative, which began as a pilot in 2019 and will transition to a permanent stream after March 2024.

Fully integrating newcomers into B.C.'s economy is essential for meeting the labour market needs over the coming decade. The Ministry supports the integration of newcomers through settlement programs that help immigrants contribute their full potential to the province (see Objective 3.2).

Objective 3.2: Provide grants and services to help communities thrive and to support newcomers to settle and integrate.

Newcomers continue to play a critical role in supporting strong and vibrant communities across this province. Offering a wide range of labour market and settlement supports help to enhance their social and economic integration while building community capacity.

Key Strategies

- Distribute \$140 million in Community Gaming Grants to not-for-profit organizations throughout B.C. to support their delivery of ongoing programs and services that meet the needs of their communities.
- Help skilled newcomers achieve employment in their field through the Career Paths for Skilled Immigrants program.
- Increase supports for newcomers to integrate into communities and workplaces with the launch of new and expanded settlement programs.

Discussion

The Community Gaming Grants branch monitors its progress in distributing grant funds requested by not-for-profit organizations that have demonstrated community support over the course of the fiscal year so that all eligible applicants may benefit wherever they are located in the province. Past grant expenditures are reviewed for compliance with the terms and conditions as well as the intended use under which it was supplied.

Newcomers arriving in B.C. can face a variety of employment barriers, including inadequate language skills and unrecognized credentials, which hinder their ability to reach their full potential in B.C.'s workforce. To address this, the Ministry has the Career Paths for Skilled Immigrants program. It offers short-term skills and language training, job placements and credentialing support tailored to individual skills and education, with a goal to help people work in jobs that match their experience and background. This personalized support for

newcomers complements efforts in other ministries to streamline international credential recognition processes for regulated occupations.

Additionally, the need for settlement supports continue to grow. With the rapid population growth in B.C. driven by temporary migration, the province has increased funding for settlement services from \$6 million annually to approximately \$26 million annually, starting in April 2024. This will help ensure newcomers have the supports they need to thrive through their settlement journey. As a result, redesigned settlement programs will launch in spring 2024 that focus on broad supports, including information, resources and referrals so clients can thrive in today’s labour market and establish connections in the workplace and community. Clients include a wide range of temporary residents and naturalized Canadian citizens. With the increased funding, supports also include a new program focused on specialized services for refugee claimants, with the goal of reducing their vulnerability and increasing community connection. These new programs replace the previous BC Settlement and Integration Services program.

Performance Measures

Performance Measure	2021/22 Baseline	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
3.1 Percentage of BC Provincial Nominee Program nominees living and working in regional communities outside Metro Vancouver.	24%	33%	30%	33%	35%

Data source: Internal Ministry of Municipal Affairs tracking

Discussion

The province is planning for a long-term increase in the proportion of immigrants who live and work outside of Metro Vancouver.

An increase in the overall number of BC PNP nominations is anticipated over the next few years. Therefore, the absolute number of regional immigrants will increase even if the percentage share does not. For example, in the 2021-22 Fiscal Year, 1556 out of 6506 nominations made up the 24 per cent regional share. In the 2023-24 Fiscal Year, the total number of nominations is expected to be approximately 8200, so a 24 per cent regional share would amount to about 1968 nominations, even without a percentage increase.

Changes that the BC PNP made in November 2022 to prioritize regional applicants have been even more successful than anticipated. Also, a higher percentage of healthcare and ECE nominees are working in the regions. For these reasons, the program has increased its regional target to be at least 30 per cent in FY 2024/25 (up from a previously planned 28 per cent). While the forecast for the current fiscal year is even higher than that, the BC PNP needs to review the quality of outcomes of those regional nominees to ensure strong retention in regional communities in advance of considering increases to future targets.

Performance Measure	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
3.2 Percentage of Career Paths Clients employed in their field upon program completion.	70%	70%	70%	70%

Data source: Internal Ministry of Municipal Affairs tracking

Discussion

The Career Paths for Skilled Immigrants program continues to see steady client intake numbers, building on the stabilization from the previous fiscal. Due to the increased cost of living, some clients continue to focus on immediate employment rather than pursuing sometimes lengthy recredentialing processes. Despite this, the target of 70 per cent of clients employed in their field upon program completion continues to be reached. The Ministry will continue to monitor program trends closely and make responsive shifts as required to ensure this program is accessible for skilled arrivals to B.C.

Financial Summary

(\$000s)	2023/24 Restated Estimates ¹	2024/25 Estimates	2025/26 Plan	2026/27 Plan
Operating Expenses				
Local Government	221,845	222,432	222,471	222,471
Immigration Services and Strategic Planning	24,912	40,956	42,315	42,315
Executive and Support Services	9,140	10,035	10,035	10,035
University Endowment Lands Administration Account	13,565	14,882	15,133	15,320
Total	269,462	288,305	289,954	290,141
Capital Expenditures				
Executive and Support Services	2	2	2	2
University Endowment Lands Administration Account	833	4,833	1,700	1,300
Total	835	4,835	1,702	1,302

¹ For comparative purposes, amounts shown for 2023/24 have been restated to be consistent with the presentation of the 2024/25 Estimates.

* Further information on program funding and vote recoveries is available in the [Estimates and Supplement to the Estimates](#).

Appendix A: Public Sector Organizations

As of February 9, 2024, the Minister of Municipal Affairs is responsible and accountable for the following organizations:

Islands Trust Conservancy

The Islands Trust is a federated body established in 1974 under the *Islands Trust Act*. The Trust is responsible for planning and regulating land use and protecting special places throughout the Islands Trust Area. The Islands Trust Conservancy Board consists of three Islands Trust trustees and up to three members of the public appointed by the Minister of Municipal Affairs.

Board of Examiners

The principal goal of the provincial Board of Examiners is to improve the professional skills of local government employees throughout British Columbia. The Board is responsible for awarding scholarships and certificates to local government employees who meet the standards of qualification in local government administration. The Board is appointed by the Lieutenant Governor on the recommendation of the Minister, based on the nomination of one member by each of the Union of British Columbia Municipalities, the Local Government Management Association and the Minister of Municipal Affairs.