

**Ministry of
Municipal Affairs
and Housing**

**2017/18
Annual Service Plan Report**



For more information on the British Columbia
Ministry of Municipal Affairs and Housing
see Ministry Contact Information on page 13 or contact:

Ministry of Municipal Affairs and Housing
PO BOX 9490
STN PROV GOVT
VICTORIA, B.C.
V8W 9N7
250-387-2283

Or visit our website at
www.gov.bc.ca/mah

Published by the Ministry of Municipal Affairs and Housing

Minister's Message and Accountability Statement



Every decision our government makes is guided by the principles of putting people first and making life better for families across B.C. Housing affordability is one of the most urgent issues that we are facing in British Columbia, and the Ministry of Municipal Affairs and Housing has taken the first steps in an ambitious strategy to tackle this critical issue.

We began by taking immediate action to provide 2,000 modular housing units for our most vulnerable citizens, in response to British Columbia's growing homelessness issue. This program is fully subscribed and we are building on that success with 2,500 additional homes that include 24/7 support to help people who are experiencing homelessness.

In early 2018, we delivered Homes for B.C.: A 30-Point Plan for Housing Affordability in British Columbia, along with a budget that includes the largest investment in affordable housing in B.C. history, or more than \$7 billion in housing over the next 10 years. We know we cannot succeed in this plan without partnerships. That is why we created the new Housing Hub at BC Housing to bring multiple parties together to facilitate the building of affordable homes. The Hub is developing partnerships with housing developers in the non-profit and for-profit sectors, faith groups, Indigenous organizations and with federal and local governments, to find, use or re-develop available land in communities where new affordable housing is needed.

Renters are also struggling in this tight market, and with 1.5 million renters in our province, we need to protect their right to secure housing, while providing incentives for landlords to maintain and build the housing we need. One of our first actions was to provide new funding to the Residential Tenancy Branch, to reduce wait times for tenancy disputes and to establish a new compliance unit to take action against landlords and tenants who are repeat or serious offenders. To better protect people in the rental market, we closed the fixed-term lease loophole and eliminated the opportunity for geographic rent increases. We strengthened the *Residential Tenancy Act* to better protect renters facing eviction as the result of renovation or demolition and we improved the *Manufactured Home Park Tenancy Act* to ensure stronger protection for tenants of manufactured home parks facing park closure.

We understand that local governments are on the front lines of the housing crisis and changes to the *Local Government Act* and *Vancouver Charter* will enable local governments to zone specifically for rental housing in their communities. This new zoning tool will support the work of local governments as they look for increases in the rental supply and more housing options for people across British Columbia.

Affordability and access to transit go hand in hand, and so we are committed to funding 40 per cent of the capital costs of the Mayors' Council 10-Year Vision for Metro Vancouver Transportation, ensuring the region can move forward with the transportation infrastructure so badly needed by communities. The need for transit will only grow in the years ahead, as the region expects to welcome an additional 1 million people by 2040. It is important to get moving on Phase Two of the Vision as soon as possible to get people out of congestion so they can spend more time with their families and less time stuck in traffic.

We have also worked in partnership with local governments to support infrastructure needs through programs like the Gas Tax Fund, and provided approximately \$140 million in Community Gaming Grants to thousands of non-profit organizations that provide key services including health care and education for people and communities throughout the province. Our government believes that people should be at the heart of politics and we took action to level the playing field in time for the 2018 general local elections by introducing the *Local Elections Campaign Financing Amendment Act* in 2017.

The Province will continue to work with all levels of government by investing in housing people can afford and improving the services they count on.

The Ministry of Municipal Affairs and Housing *2017/18 Annual Service Plan Report* compares the Ministry's actual results to the expected results identified in the *2017/18 - 2019/20 Service Plan* created in September 2017. I am accountable for those results as reported.



Honourable Selina Robinson
Minister of Municipal Affairs and Housing
June 26, 2018

Table of Contents

Minister’s Message and Accountability Statement.....	3
Purpose of the Ministry.....	6
Strategic Direction	7
Operating Environment.....	7
Report on Performance	9
Financial Report.....	11
Discussion of Results	11
Financial Report Summary Table	12
Appendix A: Ministry Contact Information and Hyperlinks	13
Appendix B: List of Crowns, Agencies, Boards and Commissions	14

Purpose of the Ministry

In fiscal 2017/18, government consolidated key services and supports with the introduction of the [Ministry of Municipal Affairs and Housing](#). The Ministry helps make B.C. communities great places to live, by:

- Taking leadership in supporting local governments, not-for-profit organizations and residents to build vibrant and healthy communities that are well governed, liveable, safe, economically resilient and socially and environmentally responsible.
- Providing British Columbians with access to more affordable, safe and functional housing through policy and programs, technical codes and standards and services for landlords and tenants.

The Ministry oversees the following Crown corporations, agencies, boards and commissions, which are integral to achieving the Ministry's mission: the [BC Assessment Authority](#), the [BC Housing Management Commission](#), the [Board of Examiners](#) and the [Islands Trust Fund](#). The Ministry also oversees the [University Endowment Lands](#), administers the annual [Property Assessment Review Panel](#) process and supports the [Audit Council](#) for the [Auditor General for Local Government](#). The Ministry partners with Technical Safety BC, and the Building Officials Association of BC as delegated authorities to deliver services for British Columbians. The Ministry is also responsible for [TransLink](#) legislation and governance.

The Ministry's stakeholders are the citizens of B.C., local governments, the Union of British Columbia Municipalities (UBCM), housing providers, Indigenous communities, community groups, not-for-profit societies, service organizations, the private sector and professional, environmental and industry associations. The key to the success of the Ministry is its ability to maintain strong, collaborative relationships with all levels of government (Federal, Provincial, Local and Indigenous communities) as well as other key stakeholders.

The effective delivery of the Ministry's mandate relies on key legislation, including: the *Assessment Act* and *Assessment Authority Act*, the *Auditor General for Local Government Act*, the *Community Charter*, *Vancouver Charter*, *Local Government Act*, *Local Government Grants Act*, and the *Local Elections Campaign Financing Act*, the *Commercial Tenancy Act*, the *Ministry of Lands, Parks and Housing Act*, the *Municipal Aid Act*, the *Municipal Finance Authority Act*, part six of the *Gaming Control Act*, the *Islands Trust Act*, the *University Endowment Land Act*, the *South Coast British Columbia Transportation Authority Act*, the *Strata Property Act*, the *Assistance to Shelter Act*, the *Manufactured Home Tax Act*, the *Manufactured Home Park Tenancy Act*, the *Residential Tenancy Act*, the *Rent Distress Act*, the *Building Act*, the *Building Officials' Association Act*, the *Homeowner Protection Act*, *Safety Authority Act* and the *Safety Standards Act*.

Strategic Direction

In September 2017, the new government announced its priorities with three key commitments to British Columbians:

- To make life more affordable.
- To deliver the services people count on.
- To build a strong, sustainable, innovative economy that works for everyone.

Integrating with these priorities is government's commitment to true, lasting reconciliation with Indigenous peoples in British Columbia, as we move towards fully adopting and implementing the United Nations Declaration on the Rights of Indigenous peoples and the Calls to Action of the Truth and Reconciliation Commission.

In the *2017/18 – 2019/20 Service Plan* the Ministry provided a series of objectives and performance targets from the Minister's [Mandate Letter](#) designed to further the key commitments of government.

Operating Environment

British Columbia's real GDP increased by 3.9 per cent in 2017 (according to preliminary GDP by industry data from Statistics Canada), the second strongest growth among provinces. Employment in B.C. grew by 3.7 per cent in 2017, its fastest annual pace since 1994. Consumer spending was strong for a fourth consecutive year as retail sales were supported by strong employment growth, increased tourism, high consumer confidence and relatively low interest rates. B.C.'s housing market saw elevated levels of construction activity in 2017, with the highest number of annual housing starts in data going back to 1955. B.C. manufacturing shipments and exports expanded in 2017 as goods exports to both the U.S. and the rest of the world increased.

British Columbians work hard to build a better quality of life for themselves. Through partnerships with local governments, the federal government, Indigenous communities and organizations and the private and not for profit sectors, we are able to strengthen social and community supports. Investing in our communities is an investment in the people of British Columbia which is why government continues to focus on priority programs, such as public transit, green infrastructure and affordable housing.

In Metro Vancouver, the Mayors' Council on Regional Transportation has prepared a 10-year vision for the region's transportation network, with the goals of reducing congestion and greenhouse gases, and of making the region more accessible through public transit, cycling and walking. The Ministry is working with TransLink and the Mayors' Council on the funding and implementation of the vision, including a commitment to cover 40 per cent of the capital costs of the plan.

Recognized as a leader in the fight against climate change, British Columbia remains committed to working with communities, industry and Indigenous communities to lower greenhouse gas emissions while creating a strong, sustainable and innovative economy with good paying jobs for British Columbians. The Ministry will continue to support local governments in their efforts to meet their Climate Action Charter commitments, including on-going implementation of the Climate Action

Revenue Incentive Program (CARIP), and to balance corporate greenhouse gas emissions and development of a strategy to support local climate change adaptation.

The strength of the economy and the attractiveness of B.C. to immigrants and investors have led to pressures on the housing market. For too many areas, the housing supply is not meeting the needs of all local citizens, which includes not just the growing number of homeless, but increasingly the middle class. Despite near record levels of residential construction, home prices have continued to escalate strongly. The Ministry is committed to working towards preserving fair access to housing for British Columbians. We will continue to work with local governments on the Union of B.C. Municipalities (UBCM) Special Committee on Housing report particularly as it aligns with the Province's [Homes for B.C.: A 30-Point Plan for Housing Affordability in British Columbia \(30-Point Plan\)](#).

While private rental construction has begun to rebound, insufficient supply and high demand has contributed to persistent low vacancy rates and high rents in B.C.'s population centres. Statistics Canada found that 260,220 B.C. households were in core housing need¹ in 2016, most of them renters. Much of the existing purpose-built rental stock is aging and in need of repair, and rental stock is being lost to redevelopment, which intensifies the problem and leaves displaced tenants challenged to find a vacant unit they can afford. The Ministry is working to provide an accessible and balanced residential tenancy system that promotes housing stability for renters and landlords.

B.C.'s housing needs are primarily served through the private market. In 2016, building construction accounted for over \$13.4 billion of provincial gross domestic product and is the top contributor among goods-producing industries, outranking mining, oil and gas extraction, agriculture and manufacturing industries. The ministry is responsible for ensuring the application of consistent building requirements across B.C. in order to improve building safety and performance.

¹ Canada Mortgage and Housing Corporation considers a Household in *Core Housing Need* if:

- i. its housing does not meet one or more of the adequacy, suitability or affordability standards, and
- ii. it would have to spend 30% or more of its before-tax income to access acceptable local housing.

Report on Performance

The following table reports on the objectives and performance targets provided in the 2017/18 – 2019/20 Service Plan along with the Ministry’s achievements.

Objective	Actions Taken Up to March 31, 2018
<p>Objective 1: Partner with local governments, the federal government and the private and not-for-profit sectors, to work toward the building of 114,000 units of affordable market rental, non-profit, co-op, supported social housing and owner-purchase housing.</p>	<ul style="list-style-type: none"> • Committed funding in <i>Budget 2017 Update</i> for 1,700 units of new affordable rental housing. Currently, 18 projects are underway in 11 communities across the province: Cranbrook, Vernon, Williams Lake, Prince Rupert, Burnaby, New Westminster, Surrey, Sechelt, Vancouver, Nanaimo and Saanich. • Committed funding in <i>Budget 2017 Update</i> for 2,000 units of modular housing for homeless and at-risk individuals. Projects completed to date include 78 units in Vancouver. Currently, government has announced projects representing over 1,770 new modular housing units across 19 communities in B.C. • Attended 16 First Nations Leadership Gathering meetings and approximately 60 local government UBCM meetings to gain an understanding of needs related to community capital infrastructure. • Hosted a Housing Partnerships Conference and a series of roundtables with over 200 participants from government, non-profit, co-operative and real estate sectors to help inform a new provincial housing strategy. • Released a 30-Point Plan for housing affordability in British Columbia to guide government actions and future spending. <ul style="list-style-type: none"> ○ Committed \$116 million over three years for our rental assistant programs (Rental Assistance Program (RAP) and Shelter Aid for Elderly Renters (SAFER)) to expand eligibility and increase benefits for low-income renters. ○ Pursued policy work on draft legislation to give local governments the authority to zone for rental tenure.

	<ul style="list-style-type: none"> ○ Pursued policy work on draft legislation to ensure that local governments have the housing information that they require in order to make decisions about housing needs in their communities. ● Committed \$1 billion over ten years to maintain and upgrade existing subsidized housing stock to ensure that it continues to provide affordable housing. ● Committed \$6 billion over ten years to address housing supply and support almost 34,000 units of affordable rental, ownership, supportive and student housing.
<p>Objective 2: Work in partnership to develop a homelessness action plan to reduce the homeless population through permanent housing and services. The plan will include actions to conduct a province-wide homelessness count.</p>	<ul style="list-style-type: none"> ● Continued consultation with the Ministry of Social Development and Poverty Reduction to develop the Homelessness Action Plan. ● Commenced 12 provincially funded homeless counts in communities across B.C. Preliminary results for the 12 communities in Spring 2018, final report with province wide data in Fall 2018.
<p>Objective 3: Support the development and implementation of a plan to create new student housing at universities and colleges.</p>	<ul style="list-style-type: none"> ● Partnered with the Ministry of Advanced Education, Skills and Training to understand the barriers to the development of student housing and to develop a new student housing construction program.
<p>Objective 4: Amend the <i>Residential Tenancy Act</i> to provide stronger protections for renters, and provide additional resources to the Residential Tenancy Branch.</p>	<ul style="list-style-type: none"> ● Passed legislation to introduce changes to tenancy agreements, strengthen administrative penalty provisions and resolve previously existing clarity issues. ● Provided an additional \$7 million in funding through <i>Budget 2017 Update</i> to the Residential Tenancy Branch to shorten wait-times and establish a Compliance Unit to deal with those who repeatedly contravene tenancy laws processes. ● Launched a new online service portal to make it easier and faster to apply for dispute resolution services.
<p>Objective 5: Partner with local governments and First Nations to develop a community capital infrastructure fund to upgrade and build sports facilities, playgrounds, local community centres and arts and culture spaces.</p>	<ul style="list-style-type: none"> ● Attended 16 First Nations Leadership Gathering meetings, along with approximately 60 meetings at the Union of B.C. Municipalities to gain understanding of community infrastructure needs which assists

	<p>with program design and criteria for any upcoming senior government grant programs.</p> <ul style="list-style-type: none"> On March 22, 2018, the Province signed the ICIP Agreement with Canada which includes funding provisions for community, culture and recreation infrastructure investments.
Objective 6: With the Minister of Finance, deliver an annual renter’s rebate of \$400 dollars per rental household to improve rental affordability.	<ul style="list-style-type: none"> Worked to develop additional options for financial assistance to renters by expanding eligibility and increasing benefits for RAP and SAFER rental assistance programs.
Objective 7: Work with the Minister of Finance to address speculation, tax fraud and money laundering in the housing market.	<ul style="list-style-type: none"> Supported the Ministry of Finance under the 30-Point plan to address specific gaps in the housing market, increasing housing affordability for British Columbians. Hosted a Housing Partnerships Conference and a series of roundtables with over 200 participants from government, non-profit, co-operative and real estate sectors to help inform a new provincial housing strategy.
Objective 8: As the Minister responsible for TransLink, support the Mayors’ Council 10-Year Vision for Metro Vancouver Transportation by funding 40 per cent of the capital costs of every phase of the plan, in partnership with all levels of government.	<ul style="list-style-type: none"> The Province has committed to fund 40 per cent of the capital costs of Phase 2 of the Mayors’ Council Vision.

As committed to in the *2017/18 – 2019/20 Service Plan* tabled in September 2017, the Ministry released fully developed objectives and performance measures in the Ministry’s *2018/19 – 2020/21 Service Plan*, tabled in February 2018.

Financial Report

Discussion of Results

The Discussion of Results reports on the Ministry of Municipal Affairs and Housing financial results for the year ended March 31, 2018, and should be read in conjunction with the Financial Reporting Summary Table provided below.

In 2017/18 the Ministry realized a surplus of \$1.227 million before adjustments of prior year accruals. This savings was made up of \$543,000 in ministry operating savings spread across divisions and \$684,000 in lower costs incurred in the administration of the University Endowment Lands.

Financial Report Summary Table

	Estimated	Other Authorizations	Total Estimated	Actual	Variance ¹
Operating Expenses (\$000)					
Local Government	234,802		234,802	234,410	(392)
Community and Legislative Services	2,968		2,968	3,090	122
Executive and Support Services	6,769		6,769	6,541	(228)
Housing	422,098		422,098	422,053	(45)
Ministry Total	666,637		666,637	666,094	(543)
Special Accounts					
Housing Endowment Fund	12,884		12,884	12,884	0
University Endowment Lands Administration Account	10,442		10,442	9,758	(684)
Sub-Total	689,963		689,963	688,736	(1,227)
Adjustment of Prior Year Accrual ²				(1,651)	(1,651)
Ministry Total	689,963		689,963	687,085	(2,878)
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)					
Executive and Support Services	452		452	303	(149)
Total	452		452	303	(149)
Capital Plan (\$000)					
Housing	173,213		173,213	170,563	(2,650)
Total	173,213		173,213	170,563	(2,650)

¹ Explanations of Variances Greater than five per cent

- University Endowment Lands Administration Account: Lower than expected expenditures recovered from Account primarily related to Utilities, Materials and Supplies.

² The Adjustment of Prior Year Accrual of \$1.651 million is a reversal of accruals in the previous year.

Appendix A: Ministry Contact Information and Hyperlinks

Hon. Selina Robinson

Minister
Ministry of Municipal Affairs and Housing
Room 310, Parliament Buildings
Victoria, B.C. V8V 1X4
Tel: 250 387-2283
Email: MAH.minister@gov.bc.ca

Jacqueline Dawes

Deputy Minister
Ministry of Municipal Affairs and Housing
6th floor, 800 Johnson Street
Victoria, B.C. V8W 9T2
Tel: 250 387-9108
Email: Jacquie.dawes@gov.bc.ca

University Endowment Lands

5495 Chancellor Boulevard
Vancouver, B.C. V6T 1E2
Telephone: (604) 660-1810
Fax: (604) 660-1874
Email: uel@gov.bc.ca
www.universityendowmentlands.gov.bc.ca

Further information on the various programs and services provided by the Ministry of Municipal Affairs and Housing can be found at www.gov.bc.ca/mah.

To contact a specific person or program in the Ministry of Municipal Affairs and Housing, please refer to the [B.C. Government Directory](#).

Appendix B: List of Crowns, Agencies, Boards and Commissions

Crowns

[BC Assessment Authority](#)

[BC Housing Management Commission](#)

Agencies, Boards and Commissions

[Auditor General for Local Government](#)

[Building Officials' Association of BC](#)

[Islands Trust Fund](#)

[Technical Safety BC](#)

[TransLink](#)

[Board of Examiners](#)

[Property Assessment Review Panels](#)

The Ministry also oversees the [University Endowment Lands](#)