

**Ministry of
Municipal Affairs
and Housing**

**2018/19
Annual Service Plan Report**



For more information on the Ministry of Municipal Affairs and Housing contact:

Ministry of Municipal Affairs and Housing
PO BOX 9490
STN PROV GOVT
VICTORIA, BC V8W 9N7

Telephone: 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



Our government is guided by our commitment to make life better for all British Columbians. Whether it's investments in housing, community infrastructure, transit or improvements to residential tenancy education and enforcement, we are putting the needs of people first as we look ahead to challenges and opportunities for the future.

Housing affordability remains one of the most urgent issues facing B.C. communities today, and to help relieve the situation, we are investing more than \$7 billion as part of our 10-year Housing Plan to build the kind of homes and supports people need, in every corner of the province.

I'm pleased to report that in less than two years, we have more than 20,000 homes completed, underway or announced in nearly 80 communities throughout British Columbia so far. We accomplished this by working in partnership with local governments, Indigenous organizations, community and faith-based groups, housing associations and developers to build homes that people can afford.

We announced four new housing funds under Building BC: the Community Housing Fund, the Indigenous Housing Fund, the Women's Transition Housing Fund and the Supportive Housing Fund.

I want to acknowledge and thank the B.C. communities – large and small – that have partnered with us so far to address homelessness and were ready to jump into action to respond to the desperate need they witnessed daily in their community. When our Rapid Response to Homelessness program reached its target, we added two other programs, and together they are providing more than 4,700 homes for people experiencing or at risk of homelessness.

B.C.'s tight housing market has caused tensions between renters searching for safe, secure affordable housing and landlords wanting to ensure their investments are protected and viable. In response, we acted to address the provincial Rental Housing Task Force's recommendations by immediately increasing public education and bolstering enforcement to better protect the rights of both renters and landlords.

Community Gaming Grants are another way to help support our government's commitment to provide quality services that people count on. We provide \$140 million annually in gaming grants to more than 5,000 not-for-profit organizations in communities throughout British Columbia.

Local governments in northern B.C. have long told us about the challenges with aging infrastructure and how that holds them back from diversifying their economies. We listened and earlier this year, the Province invested \$100 million in a Northern Capital and Planning Grant in four northwest regional districts and 22 municipalities to prepare for development opportunities.

The 2018 general local elections were the first elections in which the full suite of campaign financing rules applied (including expense limits, bans on corporate and union donations and campaign contribution limits). The Ministry continues to monitor the experience of the 2018 general local elections and is undertaking additional policy work to determine whether changes are needed to the local elections campaign financing framework for future elections.

Through the Investing in Canada Infrastructure Program (ICIP), we are investing another \$6 billion in federal and provincial funds over the next 10 years to support necessary infrastructure development to

improve livability and help diversify regional economies. For example, the Rural and Northern Communities Program under ICIP covers 90 per cent to 100 per cent of the costs of eligible projects. This program pays a higher percentage of costs in response to concerns raised by smaller local governments that had difficulty taking advantage of previous funding opportunities as they could not raise their share of the project funding. This helps strengthen local economies, protect our clean air, land and water and create opportunities in smaller communities across the province.

Improved transit options are an important part of addressing greenhouse gases, connecting communities and improving people's quality of life. Last year, we began working with the Chairs of the Mayors' Council and Metro Vancouver to help shape transportation and development throughout the Lower Mainland – a major economic hub – over the next 30 years.

As my ministry moves forward to make life better for the people of British Columbia, we will continue to work with all orders of government, including Indigenous governments, by investing in housing people can afford and improving the services they count on.

The Ministry of Municipal Affairs and Housing *2018/19 Annual Service Plan Report* compares the Ministry's actual results to the expected results identified in the *2018/19 – 2020/21 Service Plan* created in February 2018. I am accountable for those results as reported.



Honourable Selina Robinson
Minister of Municipal Affairs and Housing
July 2, 2019

Table of Contents

Minister’s Message and Accountability Statement.....	3
Purpose of the Annual Service Plan Report.....	6
Purpose of the Ministry.....	6
Strategic Direction	7
Operating Environment.....	8
Report on Performance	10
Goals, Objectives, Measures and Targets	10
Financial Report.....	24
Discussion of Results	24
Resource Summary	25
Appendix A: List of Crowns, Agencies, Boards and Commissions.....	26

Purpose of the Annual Service Plan Report

The Annual Service Plan Report (ASPR) is designed to meet the requirements of the *Budget Transparency and Accountability Act* (BTAA), which sets out the legislative framework for planning, reporting and accountability for Government organizations. Under the BTAA, the Minister is required to report on the actual results of the Ministry's performance related to the forecasted targets documented in the previous year's Service Plan.

Purpose of the Ministry

The [Ministry of Municipal Affairs and Housing](#) helps make B.C. communities great places to live by providing British Columbians with access to more affordable, safe and functional housing and taking leadership in supporting local governments, not-for-profit organizations and residents to build vibrant and healthy communities that are well governed, livable, safe, economically resilient and socially and environmentally responsible.

The Ministry oversees two Crown Agencies; the [BC Assessment Authority](#), and the [BC Housing Management Commission](#). The Ministry also oversees the [University Endowment Lands](#), Chairs and administers the [Board of Examiners](#), 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 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 and Local Government Act*, the *Commercial Tenancies 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 *South Coast British Columbia Transportation Authority Act*, the *Strata Property Act*, the *Assistance to Shelter Act*, the *Manufactured Home Tax Act*, *Manufactured Home Park Tenancy Act*, the *Residential Tenancy Act*, the *Building Act*, the *Building Officials' Association Act*, the *Homeowner Protection Act*, the *Safety Authority Act* the *Safety Standards Act* and the BC Building, Plumbing and Fire Codes.

Strategic Direction

The strategic direction set by Government in 2017 and expanded upon in the Minister's [Mandate Letter](#) shaped the [2018/19 Service Plan](#) and the results reported in this ASPR.

The following table highlights the key goals, objectives or strategies that support the key priorities of Government identified in the 2018/19 Ministry of Municipal Affairs and Housing Service Plan:

Government Priorities	Ministry of Municipal Affairs and Housing Aligns with These Priorities By:
Making life more affordable	<ul style="list-style-type: none"> • Ensuring British Columbians have access to a residential tenancy framework that is fair for all (Goal 4) • Working to ensure that British Columbians can obtain safe, affordable and functional housing, transit-oriented where appropriate, that supports communities (Goal 3) • Increasing affordable housing options through effective, coordinated provincial programs (Objective 3.2) • Working with local governments to implement strategies to improve community sustainability and affordability (Objective 2.3)
Delivering the services people count on	<ul style="list-style-type: none"> • Continuing to transform Residential Tenancy Branch processes to ensure that our services are modern, affordable and accessible and promote housing stability and fairness for renters and landlords (Objective 4.1) • Working with partners to create housing for people with distinct needs (Objective 3.3) • Ensuring a sound governance system that balances local government and provincial interests and builds strong relationships for the benefit of citizens (Objective 1.1) • Working with local governments to implement strategies to improve community sustainability and affordability (Objective 2.3) • Ensuring eligible not-for-profit organizations across the province are effectively supported through community gaming grants in order to provide programs that improve the lives of British Columbians (Objective 2.2) • Ensuring communities having effective water and waste management (Objective 2.4)
A strong, sustainable economy	<ul style="list-style-type: none"> • Creating new and preserving existing supply of market rental, non-profit and co-operative housing that is aligned with local incomes and meets the needs of local residents and employers (Objective 3.1) • Promoting consistent and evidence-based building and safety standards (Objective 5.2) • Ensuring local governments are financially sustainable and can meet the service needs of their residents (Objective 1.2) • Supporting local governments to create a positive environment for social and economic development (Objective 2.1)

Operating Environment

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 local citizens, which includes not just the growing number of homeless, but increasingly the middle class. The Ministry is committed to working towards preserving affordable access to housing for British Columbians and contributing towards government's commitment to support partnerships for 114,000 affordable homes and our progress towards the target of 28,700 units¹ of affordable community housing demonstrates this. This is a key component of the [Homes for B.C.: A 30-Point Plan for Housing Affordability in British Columbia \(30-Point Plan\)](#).

The first province-wide homeless count was completed in 2018 and found more than 7,600 people living on the streets. We know this was likely an undercount due to how difficult it is to identify where people are seeking refuge when they have no home and nowhere to go. Homelessness in public spaces, like encampments, are becoming much more prevalent and complex situations where standard frontline responses are no longer effective. Several large encampments throughout the province created significant pressure on existing resources within the ministry and BC Housing. In response, the Ministry developed an Encampment Response Strategy, as part of the Homelessness Action Plan, and is actively implementing the strategy in collaboration with the Ministry of Social Development and Poverty Reduction.

While private rental construction continues to be significantly above the historic average of the past 20 years, removals of other units from the rental market and robust demand has contributed to persistent low vacancy rates and higher rents in B.C.'s population centres. Statistics Canada found that 260,220 B.C. households were in core housing need² as per the 2016 Census, most of them renters. Much of the existing purpose-built rental stock is aging and in need of repair, and rental stock is frequently being lost to redevelopment, speculation and short-term rentals, which intensifies the problem and leaves displaced tenants challenged to find a vacant unit they can afford.

In response, government has focussed on understanding and addressing harmful speculation in the housing market via enforcement and tax measures, has dramatically increased allowable fines for prohibited short-term rentals in strata corporations and has established a new rental zoning tool for local governments to help preserve and increase the overall supply of rental homes. It is also essential for the Ministry to work with local governments on the short-term rental issue, and to support 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 2018, building construction accounted for \$21.1 billion of provincial gross domestic product (GDP) and is the top contributor among goods-producing industries, outranking mining, oil and gas extraction, agriculture and

¹ An additional 8,000 units of student housing is under the purview of the Ministry of Advanced Education and Skills Training.

² 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.

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.

Through partnerships with local governments, the federal government, Indigenous communities and organizations and the private and not-for-profit sectors, we have strengthened social and community supports. Investing in our communities is an investment in the people of British Columbia, which is why government has focused on priority programs, such as public transit, green infrastructure and affordable housing.

In Metro Vancouver, the Mayors' Council on Regional Transportation 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 worked 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 continued 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.

In 2018, British Columbia's real GDP increased by 2.4 per cent (according to preliminary industry data from Statistics Canada), which was the third strongest growth among provinces. Employment in B.C. grew by 1.1 per cent, a slower pace compared to previous years. Labour market conditions tightened further, while growth in wages and salaries remained strong. Domestic spending slowed somewhat, reflected by slower growth in retail sales and further moderation in housing activity, particularly home sales. Residential construction was strong with housing starts well above the historical average. Meanwhile, foreign demand overseas helped to support solid growth overall in B.C.'s merchandise exports.

Report on Performance

Goals, Objectives, Measures and Targets

Goal 1: Communities and regions are effectively governed and provide local and regional services citizens can count on

Objective 1.1: A sound governance system that balances local government and provincial interests and builds strong relationships for the benefit of citizens

Key Highlights:

- Actively advised, guided and supported the successful roll out of the 2018 general local elections, through which elections are held simultaneously across the province for over 1,660 elected positions in over 250 different local bodies in communities ranging in size from less than 200 people to over 600,000 people.
- The 2018 general local elections were the first elections in which the full suite of campaign financing rules applied (including expense limits, bans on corporate and union donations and campaign contribution limits).
- Reviewed, monitored and adjusted the local government policy, legislative and regulatory framework, and undertook education and outreach activities where needed to assist local governments to govern effectively and meet citizens' needs. This included developing legislative amendments so that regional districts could provide capital cost financing for internet service providers; this created another option to help connectivity for people in rural and remote communities.
- Supported local government decision-making by providing advice, resolving problems and providing targeted support on governance, finance, land use and other matters of interest, both directly and in partnership with others. This included education and policy work to implement recommendations of the Working Group on Responsible Conduct and supporting communities in understanding, assessing and potentially changing their local and regional governance.
- Supported local governments in building respectful relationships and reconciling with Indigenous Peoples. This included contributing funding to the Community to Community Forum program which enables local governments and their Indigenous neighbours to come together locally to build mutual understanding as part of overall reconciliation.
- Worked to ensure that the annual Union of British Columbia Municipalities (UBCM) convention provided a comprehensive exchange of ideas between the provincial government and its municipal partners.

Performance Measure	2017/18 Actuals	2018/19 Target	2018/19 Actuals	2019/20 Target	2020/21 Target
1.1 Actively engage with UBCM and Local Governments with ongoing meetings between elected officials and staff including:					
<ul style="list-style-type: none"> a number of formal meetings held annually between UBCM Executives and the Minister of Municipal Affairs and Housing 	N/A ¹	4	11	4+	4+
<ul style="list-style-type: none"> a number of meetings held annually between the Ministry, UBCM and Local Governments during UBCM Convention and throughout the year 	N/A ¹	100	170	100	100

Data Source: Meeting schedules (calendar meeting invites) and agendas for Senior staff and Minister's meeting. ¹ Informal meetings with staff are not counted.

¹This performance measure is a new measure beginning in 2018/19.

Discussion

Ensuring a sound and balanced governance system requires active communication between the provincial government and local governments, as well as with the UBCM on varied issues and initiatives. While such interactions occur informally at many levels between the two organizations and with individual local governments, quarterly formal meetings provide an important forum to identify priority topics and exchange provincial and local government perspectives. This offers the right balance between local government autonomy and provincial responsibilities on specific issues and initiatives.

For fiscal 2018/19, the Ministry exceeded its targets; there was a total of 11 meetings held between UBCM Executives and the Minister of Municipal Affairs and Housing. These included five quarterly UBCM Executive meetings and six meetings with the UBCM President. Meetings between the Ministry, UBCM and Local Governments during UBCM Convention and throughout the year totaled 170.

The Ministry anticipates variance in the number of meetings resulting from changing conference agendas, rotating hosting locations and emergent issues.

Objective 1.2: Local governments are financially sustainable and can meet the service needs of their residents

Key Highlights:

- Delivered stable, predictable and timely grant funding for professional administration to smaller and rural local governments throughout B.C. and provided targeted funding to municipalities with over 5,000 people for community safety initiatives. Programs included the Small Community Grants, Regional District Grants and the Traffic Fine Revenue Sharing Program.
- Worked with the federal government to participate in new infrastructure programs and funding for B.C. communities, and implemented existing infrastructure grants which enabled local governments to provide critical services to residents and create the conditions needed for economic growth (See Objective 2.3 for additional information).
- Partnered with local governments, the federal government and Indigenous governments to pursue a community capital infrastructure fund to upgrade and build sports facilities, playgrounds, local community centres and arts and culture spaces (See Objective 2.3 for additional information).
- Supported local governments to make effective, integrated and collaborative service provision choices. This was accomplished through problem solving, guidance and program support for delivery of local and regional services such as water, recreation and economic development.
- Encouraged strong fiscal and asset management practices that support development of sustainable infrastructure and amenities and accelerated economic development for communities.

Performance Measure	2017/18 Actuals	2018/19 Target	2018/19 Actuals	2019/20 Target	2020/21 Target
1.2 Municipal Finance Authority's Credit Rating	AAA	AAA	AAA	AAA	AAA

Date Source: [Municipal Finance Authority](#). Ratings provided by Standard & Poor's, Moody's, and Fitch which all rate MFA debentures as Triple-A Stable.

Discussion

The legislative framework for the local government system is built on an independent, autonomous decision-making model enabling locally-elected officials and staff to be accountable stewards of their local government's financial sustainability. This includes powers to earn revenues and accumulate funds to plan for and manage the provision of services in their communities. Local governments are required to follow strong financial management practices to ensure their fiscal viability.

The cost of borrowing is a critical concern for local governments when planning capital projects. The Municipal Finance Authority of British Columbia (MFA) was created in 1970 to act as a collective borrowing agency for local governments to provide access to low-cost financing.

The Ministry supports the MFA in obtaining a high credit rating and low rates for borrowing through:

- The administration of the *Municipal Finance Authority Act*;

- Setting local government borrowing limits;
- Reviewing and approving loan authorization bylaws;
- Setting financial reporting requirements; and
- Ensuring local government financial data is available to the MFA and the financial community.

A credit rating score of AAA for the MFA was achieved for fiscal 2018/19.

Goal 2: Communities and regions are strong, sustainable and have innovative economies that work for British Columbians

Objective 2.1: Local governments are supported to create a positive environment for social and economic development

Discussion

The ministry continues to work with local government partners to identify, support and advance opportunities to improve social and economic development at the community level. This included ensuring that local governments have an adequate mix of tools and supports needed to provide a range of housing choices for their residents.

Key Highlights:

- Partnered with other ministries and other levels of government to support opportunities for local governments that improve their social and economic development. This included urban/rural economic development, Indigenous relationships, emergency preparedness, viable transit options and reducing homelessness, as well as addressing mental health and addictions, childcare and poverty reduction.
- Legislation was passed which established the new rental zoning tool for local governments to help preserve and increase the overall supply of rental homes in the long-term, and to help increase housing choice and affordability. Other passed legislation included authority for regional districts to provide capital financing to Internet service providers, to provide another tool for getting high speed internet into remote, underserved areas, and new requirements for local governments to undertake housing needs reports for their communities.
- Facilitated partnerships and worked with local governments and others in the housing sector to support the development of affordable housing.
- Assisted local governments to develop partnerships with the not-for-profit and business sector that helps create economic prosperity and social well-being for citizens.
- Initiated a multi-stakeholder consultation and review of the local government development approvals process, to clarify existing challenges and opportunities to increase overall efficiency and effectiveness.

Objective 2.2: Eligible not-for-profit organizations across the province are effectively supported through Community Gaming Grants in order to provide programs and capital projects that improve the lives of British Columbians

Key Highlights:

- Reviewed and updated Community Gaming Grants eligibility criteria and program guidelines to enhance not-for-profit organizations' understanding of, and access to funding to assist in the delivery of community-based programs.
- Delivered information workshops for not-for-profit organizations in all regions of the province.
- Strengthened partnerships with provincial organizations such as the BC Association for Charitable Gaming and the BC Association of Aboriginal Friendship Centers, enabling them to support other not-for-profit organizations.

Discussion

The Community Gaming Grants program annually distributes \$140 million in gaming grants to over 5,000 eligible not-for-profit organizations, including \$5 million for the Capital Project Grant Program to fund facilities, community infrastructure and asset acquisitions for community groups.

The program continued to implement service improvements, building on recommendations from a 2016 report by the Office of the Auditor General, to efficiently, fairly and transparently administer the grant review process.

Objective 2.3: Local governments are implementing strategies to improve community sustainability and affordability

Discussion

Advancing community sustainability and overall affordability requires the support and engagement of a wide range of partners, funding and other supports and tools. The Ministry has worked closely with local governments to provide significant infrastructure funding that will help advance climate goals, built capacity to address integrated and sustainable land use and undertaken a range of activities to support local governments in delivering the services that British Columbians rely on.

Key Highlights:

- Launched the Northern Capital and Planning Grant program providing a total of \$100 million in one-time funding to all 26 local governments that are either situated along the proposed Liquid Natural Gas pipeline corridor or within a 70 km distance from the proposed LNG facility in Kitimat.

- Launched the following programs (under the Investing in Canada Infrastructure Program, a bilateral agreement between Canada and B.C.):
 - Green Infrastructure – Environmental Quality Program: on May 31, 2018, the federal and provincial governments committed up to \$243 million towards an initial intake.
 - Green Infrastructure Climate Change Mitigation – CleanBC Communities Fund: on December 18, 2018, federal and provincial governments committed funding of \$63 million for an initial intake.
 - Community Culture and Recreation: combined federal and provincial funding of \$134 million for the intake launched September 12, 2018.
 - Rural and Northern Communities: combined federal and provincial funding of \$95 million for the intake launched September 12, 2018.
- In collaboration with the UBCM, the Ministry provided guidance and tools to help local governments meet their commitments and enhance actions under the *British Columbia Climate Action Charter*.
- Supported and worked with local governments to advance integrated and sustainable land use, infrastructure and transportation planning.
- In partnership with the federal government and the UBCM, continued to implement the Federal Gas Tax Transfer Fund that came into effect on April 1, 2014.
- Promoted the effective development, adoption and implementation of Regional Growth Strategies.
- Supported successful local government implementation of the Energy Step Code.

Objective 2.4: Communities have effective water and waste management

Key Highlights:

- Implemented the new Environmental Quality fund under the Green Stream of the Investing in Canada Infrastructure Program to help local governments achieve provincial and federal water and waste management objectives – projects have been submitted to the federal government and approvals are anticipated this summer.
- Monitored more than 180 projects that were previously approved through past programs such as the Clean Water and Wastewater Fund (CWWF) and advised on strategies to support project completion.
- Provided tools and resources to local governments to assist them in conserving and protecting water resources.
- Encouraged local governments to use liquid and solid waste as a resource and maximize the recovery value.
- Promoted the use of effective life-cycle cost approaches to support local government land use and infrastructure planning.

Performance Measure	2016/17 Actuals	2017/18 Actuals	2018/19 Target	2018/19 Actuals	2019/20 Target	2020/21 Target
2.4 The percentage of projects reaching completion under the Clean Water and Wastewater Fund	N/A	40%	75%	54% ¹	N/A ²	N/A ²

Data Source: Local Government Information System which is used to monitor and track approved projects.

¹The Clean Water and Wastewater Fund is a four-year program that was launched in 2017 with an original targeted completion date of March 31, 2019. As a result of factors mentioned below, extensions to March 31, 2020 were provided to projects.

²Targets have been changed to not applicable, as this performance measure was discontinued in the 2019/20 – 2021/22 Service Plan.

Discussion

The sustainable delivery of drinking water, wastewater and storm water systems are key services that contribute to resilient and affordable communities. The CWWF, a joint federal/provincial program, supports local governments in accessing up to 83 per cent government funding toward approved projects. This significantly offsets the cost of project implementation at the local level.

In fiscal 2018/19, the Ministry continued working with the proponents of the 180 approved projects to support them in reaching completion within the timeframe of the program. The 2018/19 target was missed due to two key factors impacting individual project timelines in the program:

- The CWWF bilateral agreement amendment in the Fall 2018 extended the program by one year allowing projects to incur eligible costs to March 31, 2020.
- The drinking water and wastewater construction market was very tight during this timeframe. Projects were challenged to find sufficient resources to complete by March 31, 2019.

Objective 2.5: Support the advancement of the Mayors' Council's Ten Year Vision for Transportation in Metro Vancouver

Key Highlights:

- Supported TransLink to deliver transit projects funded through Phase One of the Public Transit Infrastructure Fund.
- Secured funding agreements with the Ministry of Transportation and Infrastructure and TransLink for Phase Two of the Public Transit Infrastructure Fund to deliver on the government's commitment to fund 40 per cent of the capital costs of all phases of the Mayors' Council's Ten Year Vision.
- Supported and worked with the Mayors' Council and TransLink to develop and implement sustainable funding sources for the region's share of Phase Two of the Mayors' Council's Ten Year Vision.
- Partnered with TransLink and Metro Vancouver communities to facilitate residential development and affordable housing along major transit corridors to support existing and planned transit investments.

- Continued to maintain a positive relationship with TransLink and continued to track the progress of projects by attending Mayors' Council meetings, project team meetings and communications meetings.

Discussion

In 2018, the Province, through the Ministry of Transportation and Infrastructure entered into a funding agreement with the federal government on transit projects through the Investing in Canada Program (ICIP), which provides \$2.2 billion for rapid transit projects within the Lower Mainland. In addition, as part of the Mayors' Council 10-Year Vision – Phase Two Plan, the Province enabled new revenue sources for the region to provide them with new mechanisms to fund their share of the Plan.

Phase Two cost (capital, operating and financing) is estimated at \$7.63 billion over ten years. Together with Phase One costs of over \$2 billion, the Mayors' Vision represents the largest planned investment in TransLink history.

TransLink is presently developing its Phase Three Investment Plan and a review of the key elements of this plan and options for next steps will be presented in the first quarter of 2019.

Goal 3: British Columbians can obtain safe, affordable and functional housing, transit-orientated where appropriate, that supports communities

Objective 3.1: Create new supply of market rental, non-profit and co-operative housing that is aligned with local incomes and meets local needs of local residents and employers

Key Highlights:

- Worked with BC Housing to support affordability through government-funded investments in new housing units.
- Facilitated new community partnerships to address housing affordability.
- Negotiated National Housing Strategy funding allocations and agreements with the federal government.
- With the Ministry of Advanced Education, Skills and Training, partnered to remove financial barriers and facilitated the development of new housing for university and college students.
- Promoted the return of housing units to the long-term market by raising the maximum fine strata corporations can charge owners of prohibited short-term rentals to \$1,000 per day.
- With the Ministry of Finance, worked to address negative financial effects that were contributing to the affordability challenge by implementing the speculation and vacancy tax, and by taking measures to reduce tax fraud in the housing market.

Performance Measure	2017/18 Actuals	2018/19 Target	2018/19 Actuals	2019/20 Target	2020/21 Target
3.1 Number of new government-funded affordable housing units created (direct investment) ¹	2,996	3,538	4,180	N/A ²	N/A ²

¹ Data source: BC Housing.

² Targets have been changed to not applicable, as this performance measure has been adjusted to report on units “initiated” in the 2019/20 – 2021/22 Service Plan and include units of supportive housing and units of affordable housing.

Discussion

This Objective and its linked performance measure directly reflect and expand on government’s commitments to increase the supply of affordable housing. New government-funded and facilitated affordable housing units will serve the full range of housing needs, including the “missing middle” (middle-income families and individuals who can’t find affordable housing near work or school) and low-income people.

The 2018/19 target was exceeded; a total of 4,180 new government-funded affordable housing units were created including 2,669 units of supportive housing, and 1,511 units of affordable housing.

The Ministry has refined this Performance Measure in the 2019/20-2021/22 Service Plan to provide a more meaningful assessment of the ministry’s current performance which impacts the development time and construction completion time. The new performance measure will now measure and track units initiated by government.

Objective 3.2: Increase affordable housing options through effective, coordinated provincial programs

Key Highlights:

- Worked with BC Housing to support affordability in the rental market through rental assistance programs.
- Worked with BC Housing to support affordability through government-funded investments in new housing units.

Performance Measure	2017/18 Actuals	2018/19 Target	2018/19 Actuals	2019/20 Target	2020/21 Target
3.2 Number of households that benefit from provincial housing programs	107,205	111,638	110,464	116,094 ¹	121,203 ²

Data Source: BC Housing total households served.

¹ The 2019/20 target was reduced in the 2019/20 – 2021/22 Service Plan from 116,176 to 116,094.

² The 2020/21 target was increased in the 2019/20 – 2021/22 Service Plan from 121,923 to 121,203.

Discussion

The target for number of households that benefit from provincial housing programs was not reached in the 2018/19 fiscal year; however, most planned units will be delivered in the subsequent fiscal year. Targets for 2017/18 were exceeded.

Provincial programs increased affordable housing options and/or decreased costs for recipient households through direct cash subsidies, loans, or through subsidized housing or housing support-related programs.

The number of households that benefit from provincial housing programs designed to make rentals of market housing more affordable through the Shelter Aid for Elderly Renters (SAFER) and the Rental Assistance Program (RAP) has been influenced by new applications being lower than expected after the enhancements added in Budget 2018. Marketing activities are in place to help ensure that more eligible households are aware of the programs.

Objective 3.3: Create housing for people with distinct needs

Key Highlights:

- Improved service integration across ministries and built partnerships between sectors to improve housing outcomes for people with distinct needs.
- Implemented new Building BC affordable housing funding programs: Community Housing Fund, Supportive Housing Fund, Indigenous Housing Fund and Women's Transition Housing Fund.
- With the Ministry of Social Development and Poverty Reduction, developed a Homelessness Action Plan to reduce the homeless population through permanent housing and services, with a province-wide homeless count as the first step.

Performance Measure	2017/18 Actuals	2018/19 Target	2018/19 Actuals	2019/20 Target	2020/21 Target
3.3 Implementation of an inaugural province-wide homeless count	N/A ¹	Completed	7,655 ²	N/A ³	N/A ³

Data Sources:

¹ This performance measure was created for the 2018/19 fiscal year. Prior to that, homelessness counts data was not produced by the Ministry.

² This number is the combination of twelve homeless counts funded by the provincial government (March/April 2018); Six homeless counts funded by the federal government through the Homelessness Partnering Strategy; two independent homeless counts (March/April 2018); Four additional counts (2017); and Shelter data from other B.C. communities (collected by BC Housing).

³ Future targets have not been added as this performance measure was discontinued in the 2019/20 – 2021/22 Service Plan. The Ministry of Social Development and Poverty Reduction is the lead on provincial homeless counts.

Discussion

This objective and performance measure directly reflect and expands on government's commitments to increase the supply of affordable housing and to address homelessness. New investments in affordable housing will consider and strive to meet the distinct needs of specific groups, including seniors, families, youth, homeless people, Indigenous Peoples, women and children fleeing abusive situations and students. This performance measure is an inaugural homeless count that will help to assess the effectiveness of subsequent homelessness reduction actions.

In spring of 2018, the Province of British Columbia funded homeless counts in twelve B.C. communities. These counts were combined with available data from additional counts and shelters. There were a total of 7,655 individuals that were identified as homeless.

Goal 4: British Columbians have access to a residential tenancy framework that is fair for all

Objective 4.1: Modern, affordable and accessible services that promote housing stability and fairness for renters and landlords

Key Highlights:

- Amended the *Residential Tenancy Act* to provide strong and fair protections for renters and landlords.
- Continued to transform Residential Tenancy Branch processes to enhance services and meet growing and evolving demand.
- Reviewed the *Manufactured Home Park Tenancies Act* to ensure fairness to tenants when parks are closed.
- Took a stronger enforcement role and made greater use of the Residential Tenancy Branch's authority to investigate and levy administrative penalties.
- Continued to provide information and education to both landlords and tenants to help them understand their rights and responsibilities under B.C.'s tenancy legislation.

Performance Measures	2017/18 Baseline	2018/19 Target	2018/19 Actuals	2019/20 Target	2020/21 Target
4.1a Wait time for dispute resolution hearings (proportion falling within stated service standards) ¹	25%	50%	47%	75%	80% ³
4.1b Percentage of applications that are submitted through the online Service Portal ²	60%	70%	72%	N/A ⁴	N/A ⁴

¹ **Data Source:** BMC Remedy Case Management System.

² **Data Source:** Online Service Portal

³ The 2020/21 target was reduced from 90% to 80% in the 2019/20 – 2021/22 Service Plan.

⁴ Targets for fiscal 2019/20 and 2020/21 have been changed to not applicable, as this performance measure was discontinued in the 2019/20 – 2021/22 Service Plan. The Ministry will continue to monitor the percentage of applications that are submitted through the online Service Portal.

Discussion

Reducing hearing wait times will promote housing stability for landlords and tenants by ensuring tenancy disputes are resolved in a timely, efficient manner, and will boost public confidence in the dispute resolution process.

Service standards include:

- Four weeks to hear emergency disputes
- Six weeks to hear urgent disputes
- Twelve weeks to hear monetary disputes

The 2017/18 fiscal year serves as the baseline year. The target for 2018/19 was almost achieved. The lower than targeted figure was due to higher than expected staff turnover rates and the length of time it takes to recruit and train arbitrators before they can manage a full caseload.

Future service plans will shift the performance measure of wait times for dispute resolution hearings from the proportion that fall within the service standard to the average hearing wait times. Average hearing wait times are easier to predict.

For emergency hearings, current rules of procedure prevent hearings from being scheduled in less than 22 days, therefore making it very unlikely for the majority of hearings to be within four weeks. Changes to the rules and process are currently underway.

Data is coming from the case management system and requires manipulation and filters. Once the Residential Tenancy Branch is using a new dispute management system, regular reporting and definitions will be used.

An increasing number of online applications indicates that online services promoting fairness for renters and landlords are readily accessible to the public. The Ministry exceeded its 2018/19 target for online applications.

Goal 5: Improved health, safety, accessibility and energy efficiency outcomes for buildings and technical systems

Objective 5.1: Effective building and safety governance frameworks

Key Highlights:

- Adopted the 2018 BC Building, Plumbing and Fire Codes.
- Amended the *Safety Standards Act* to provide a continued effective governance framework for technical systems and equipment.
- Amended the *Building Act* to clarify the authority of the Minister and of local governments when establishing building regulations, such that each has authority to regulate different aspects of the same matter.

- Amended the *Homeowner Protection Act* regulation to simplify the Continuing Professional Development program for Licensed Residential Builders and BC Housing.
- Fostered public safety and confidence in the building regulatory system while supporting innovative construction, including increased use of value-added engineered wood products.
- Supported an effective governance framework for the building regulatory system through continued implementation of British Columbia’s *Building Act*.
- Supported successful local government implementation of the Energy Step Code through the Energy Step Code Council.

Performance Measure	2016/17 Actuals	2017/18 Actuals	2018/19 Target	2018/19 Actuals	2019/20 Target	2020/21 Target
5.1 Number of local governments referencing the Energy Step Code in bylaws and policies	0	5	20	21	30 ¹	40 ²

Data Source: Data collected by the Ministry in cooperation with the Energy Step Code Council and member local governments representing the Union of BC Municipalities and the Planning Institute of British Columbia.

¹The 2019/20 target was reduced from 40 to 30 in the 2019/20 – 2021/22 Service Plan.

²The 2020/21 target was reduced from 60 to 40 in the 2019/20 – 2021/22 Service Plan.

Discussion

The *Pan Canadian Framework on Clean Growth and Climate Change* commits the model National Building Code, which serves as the foundation for the British Columbia Building Code, to significant improvements in energy efficiency for all new buildings by 2030. British Columbia’s Energy Step Code provides a proactive roadmap for local governments and industry to voluntarily build capacity for anticipated changes in the Building Code. By supporting and tracking local government implementation of the Energy Step Code, the Province is establishing key benchmark indicators of capacity for energy efficient construction throughout the province. This performance measure ensures that the Province has the necessary data to inform future decisions related to energy efficiency in buildings.

The Province successfully met its target due to the collaborative work with the Energy Step Code Council (the Council) in supporting industry and local governments with the Step Code. The Energy Step Code is an integral part of the strategy for achieving the Province’s goals in CleanBC, and the Council has established guidelines, processes and success measures to ensure we are making progress towards the goal. The Council has a strategic plan that specifically references the targets from the Ministry’s service plan.

By 2022, the British Columbia Building Code will require higher levels of energy efficiency for all new buildings, reducing the demand for local governments to set their own requirements prior to the building code changing. As a result, future targets were adjusted to reflect the anticipated lower number of local governments setting specific requirements.

Objective 5.2: Consistent and evidence-based building and safety standards

Key Highlights:

- Supported a range of education initiatives on the updated 2018 BC Building, Plumbing and Fire Codes for building officials, licensed residential builders, architects, engineers and other building and construction trades and professionals.
- Maintained technical safety regulations governing boilers, pressure vessels, refrigeration equipment, elevating devices, electrical and gas systems, including updates to adopted codes and standards.
- Provided support for consistent interpretation of the BC Codes through interpretations, bulletins and other communications.
- Promoted performance-based standards that remove barriers to innovative materials and construction practices, including engineered wood products and other off-site construction.
- Committed to gradually increasing the energy efficiency of the base BC Building Code to net-zero energy ready by 2032 through three code cycles and developing and adopting an energy code for alterations to existing buildings by 2024 as part of CleanBC commitments for reducing greenhouse gas emissions.
- Supported the effective implementation of the Energy Step Code through training, working with energy utilities to support incentives and other support measures and continued development of guidelines and supporting technical standards.
- Developed and implemented standards to improve the performance of the existing building stock in areas such as safety, fire and structural protection, accessibility and energy efficiency.

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, 2019 and should be read in conjunction with the Financial Reporting Summary Table provided below.

This fiscal, the Ministry received a total of \$144.566 million in other authorizations to fund a number of priority investments, including:

- Clean Water and Wastewater Fund
- New Building Canada – Small Communities Fund
- Peace River Agreement
- Northern Rockies Regional Municipality Infrastructure Plan
- Northern Capital and Planning Grant
- Kelowna Water Integration Project
- Community Organizations Grants
- Homelessness services
- Provincial Investment in Affordable Housing program and Investment in Affordable Housing

In 2018/19 the Ministry realized a surplus of \$1.490 million before adjustments of prior year accruals. This savings was due to lower costs incurred in the administration of the University Endowment Lands related to utilities, materials and supplies.

Executive and Support Services Ministry Capital Expenditures had lower than expected expenditures due to Local Government Information System capital costs being reallocated to future fiscal years. The Housing Capital Plan had lower than expected expenditures due to timing of capital projects.

Resource Summary

	Estimated	Other Authorizations ¹	Total Estimated	Actual	Variance ¹
Operating Expenses (\$000)					
Local Government	186,970	140,270	327,240	327,182	(58)
Community and Legislative Services	3,062		3,062	3,188	126
Executive and Support Services	6,878		6,878	6,810	(68)
Housing	453,988	4,296	458,284	458,284	0
Ministry Total	650,898	144,566	795,464	795,464	0
Special Accounts					
Housing Endowment Fund	12,884		12,884	12,884	0
University Endowment Lands Administration Account	10,442		10,442	8,951	(1,490)
Sub-Total	674,224	144,566	818,790	817,299	(1,490)
Adjustment of Prior Year Accrual				(195)	(195)
Ministry Total	674,224	144,566	818,790	817,104	(1,685)
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)					
Executive and Support Services	945		945	187	(758)
Total	945		945	187	(758)
Capital Plan (\$000)					
Housing	227,687		227,687	185,591	(42,096)
Total	227,687		227,687	185,591	(42,096)

¹“Other Authorizations” include Supplementary Estimates, Statutory Appropriations and Contingencies. Amounts in this column are not related to the “estimated amount” under sections 5(1) and 6(1) of the Balanced Budget and Ministerial Accountability Act for ministerial accountability for operating expenses under the Act.

Appendix A: 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](#)