

# Ministry of Municipal Affairs

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## 2020/21 Annual Service Plan Report

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## Minister's Accountability Statement



The Ministry of Municipal Affairs (formerly known as Municipal Affairs and Housing) *2020/21 Annual Service Plan Report* compares the Ministry's actual results to the expected results identified in the *2020/21 – 2022/23 Service Plan* created in February 2020. I am accountable for those results as reported.

A handwritten signature in black ink, appearing to read "Josie". The signature is written in a cursive, flowing style.

Honourable Josie Osborne  
Minister of Municipal Affairs  
August 10, 2021

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## Letter from the Minister

It is my pleasure to present the Ministry of Municipal Affairs (formerly known as the Ministry of Municipal Affairs and Housing) Annual Service Plan Report. Our Government set our strategic direction with the foundational principles of putting people first; working towards a lasting and meaningful reconciliation; supporting equity and anti-racism; building a better future through fighting climate change; and creating a strong, sustainable economy that works for everyone.

The impact of the ongoing COVID-19 pandemic on B.C. communities and people has continued to be a priority focus for the Ministry. We provided \$425 million in Safe Restart funding to ensure local governments had the tools and capacity needed to continue delivering the essential services people count on. These funds are part of the \$540 million COVID-19 Safe Restart Agreement, funded equally by the governments of B.C. and Canada, to provide direct support to B.C. local governments to help them manage the impacts of the pandemic. Under the agreement, \$100 million has been allocated to support people experiencing homelessness, with the remaining \$15 million earmarked for the Local Government Development Approvals Process Program to help local governments improve their development approvals processes to get the housing people need built faster in communities throughout the province.

Under the Community Economic Recovery Infrastructure Program, we also invested \$30 million in small-scale infrastructure projects throughout B.C. to create jobs and support recovery for people and communities affected by the pandemic.

At the onset of the pandemic, responsibility for BC Housing fell to the former Ministry of Municipal Affairs and Housing. Protections for renters were instituted to support a fair residential tenancy framework including a moratorium on all evictions, a freeze on rent increases, and a repayment framework for outstanding rent arrears. The Ministry also created the B.C. Temporary Rental Supplement Program to provide emergency financial supports to low- and moderate-income renters who lost their jobs during the pandemic and were unable to pay rent. In partnership with several ministries, regional health authorities, Indigenous partners, and non-profit housing and municipal partners, the former Ministry of Municipal Affairs and Housing and BC Housing acquired and leased 126 sites for housing and shelter spaces (2,806 spaces), with hundreds of new units created to respond to homelessness under the COVID-19 Action Plan.

The Ministry reviewed and enhanced the policy and legislative framework for local governments, including making amendments to the *Local Elections Campaign Financing Act* (Bill 9, 2020), strengthening local election campaign financing rules to increase accountability and transparency for elections.

The Ministry supported the first ever virtual Union of British Columbia Municipalities (UBCM) Convention, demonstrating the importance of building and strengthening local government relationships for the benefit of all British Columbians.

Working towards its commitments of lasting and meaningful reconciliation, the Ministry supported local governments in building respectful relationships with Indigenous peoples by

funding the Community to Community Forum program. The achievements outlined in this Annual Service Plan Report demonstrate this Ministry's many efforts to meet key priorities during a challenging and difficult year.

A handwritten signature in black ink, appearing to read 'Josie', with a stylized flourish extending to the right.

Honourable Josie Osborne  
Minister of Municipal Affairs  
August 10, 2021

## **Purpose of the Annual Service Plan Report**

The Annual Service Plan Report 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 (formerly known as Municipal Affairs and Housing) 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 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*, the *Vancouver Charter*, the *Local Government Act*, the *Municipal Aid Act*, the *Municipal Finance Authority Act*, part six of the *Gaming Control Act*, the *Islands Trust Act*, the *Immigration Programs Act*, the *Ministry of International Business and Immigration Act*, and the *Library Act*.

## **Strategic Direction**

The strategic direction set by Government in 2017, and expanded upon in Minister Josie Osborne's 2020 [Mandate Letter](#) shaped the goals, objectives, performance measures and financial plan outlined in the 2020/21 Ministry of Municipal Affairs [Service Plan](#) and the actual results reported on in this annual report.

The global COVID-19 pandemic resulted in many shifts in priorities, structures, and operations across the public sector. Any changes to the Ministry of Municipal Affairs' goals, objectives, performance measures or financial plan to align with the strategic direction established by Government in late 2020 are presented in the 2021/22 Service Plan.

## **Operating Environment**

The global COVID-19 pandemic resulted in many shifts in priorities, structures, and operations across the public sector. The post-provincial election saw the reorganization of ministries which resulted in responsibility for housing and building and safety standards moving to Ministry of Attorney General, and Property Assessment Services shifting to the Ministry of Finance.

Responsibility for immigration and settlement services as well as public libraries was transferred to the newly formed Ministry of Municipal Affairs (formerly Municipal Affairs and Housing).

The global COVID-19 pandemic created significant challenges both for people in need of affordable housing and the housing sector. The Ministry and BC Housing worked with municipalities to redeploy significant resources to help address these challenges including:

- Many renters who lost their jobs during the pandemic were unable to pay their rent. In response, the Ministry and BC Housing created the B.C. Temporary Rental Supplement Program.
- New limits on public and private spaces where vulnerable people could shelter and access services due to physical distancing requirements led to rising homelessness. BC Housing responded quickly to identify temporary and permanent accommodations where vulnerable individuals could receive health and social supports.
- Two large homeless encampments required community-based responses from BC Housing in partnership with several ministries, regional health authorities, Indigenous partners, the non-profit housing and service sector and municipal partners under the responsibility of the former Ministry of Municipal Affairs and Housing.
- Strata corporations found that they could not hold their annual general meetings in person without violating health and safety rules around physical distancing and gathering size, requiring temporary regulations to allow meetings online.

The financial challenges B.C.'s local governments faced as a result of the COVID-19 pandemic are well documented (e.g., budget cuts; layoffs). Local governments requested financial supports and supporting authority and the Province responded with direct financial support, financial and other emergency orders such as ones related to by-elections and electronic meetings, and new initiatives to further economic recovery in communities.

British Columbia's economy declined in 2020, as the negative impacts from the COVID-19 pandemic pushed economies all over the world into deep recessions. B.C.'s real GDP contraction of 3.8 per cent was the fourth smallest among provinces (behind Prince Edward Island, Nova Scotia, and New Brunswick). The decline in B.C.'s real GDP was almost entirely driven by service-producing industries, while goods-producing industries had modest declines. Output in the arts, entertainment and recreation, accommodation and food services and transportation were some of the main drivers of the decrease in the service sector. In B.C.'s goods producing sector, declines in manufacturing and natural resources were partially offset by increases in the construction sector. Employment in B.C. decreased by 6.6 per cent in 2020. However, wages and salaries remained relatively stable compared to 2019 as low wage workers accounted for the majority of job losses. Retail trade increased by 1.3 per cent in 2020, while consumer prices increased by 0.8 per cent. Residential construction activity slowed but remained relatively strong, with housing starts declining in 2020 after experiencing all-time highs in 2019. In contrast, after declining for three consecutive years home sales reached record levels in late 2020. On the external front, global international trade experienced significant disruptions as the

pandemic unfolded. B.C.’s international merchandise exports contracted in 2020 reflecting a combination of weaker global demand and lower commodity prices.

## Report on Performance: Goals, Objectives, Measures and Targets

### Goal 1: Safe, Affordable and Functional Housing

Ensuring British Columbians have access to safe, affordable, and functional housing is a key priority for the Ministry and addresses the commitment to deliver through partnerships 114,000 units of housing over the next 10 years.

### Objective 1.1: Increase supply of affordable market rental, non-profit, co-op, student, and supported housing

#### Key Highlights

- Worked with BC Housing to support affordability through government-funded investments in new housing units, including partnering with the Ministry of Advanced Education, Skills, and Training to create new affordable student housing.
- Increased the debt limit of the HousingHub by \$2 billion to create new affordable housing through partnerships with private and non-profit developers.
- Created the B.C. Temporary Rental Supplement Program to provide rent payment support for people who lost income due to the pandemic. Approximately 75,000 low-and-moderate income households received support through the program.
- Supported BC Housing to acquire and lease additional housing and shelter spaces to prevent the spread of COVID-19, and to mitigate demand on the healthcare system. As of March 2021, there were 126 sites (2,806 spaces) acquired or leased.
- Led the successful decampments of Oppenheimer Park in Vancouver and Pandora Corridor/Topaz Park in Victoria in partnership with BC Housing, municipal partners, regional health authorities, non-profit and Indigenous partners and people with lived experience of homelessness.
- In the University Endowment Lands, an area/program directly administered by Municipal Affairs, 62 units of below-market housing and 111 units of market rentals are currently under construction and will be complete in early 2022, adding to the existing rental stock of 496 units in this small community. Much of this rental stock is occupied by students.

Performance Measure	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
1.1 Number of affordable and supportive housing units completed by BC Housing including affordable rental and social housing <sup>1,2</sup>	3,274	3,500	4,222	2,800	2,300

<sup>1</sup> Data Source: BC Housing.

## **Discussion of Results**

Targets are based on the completion of new units being created under existing development programs and reflect planned program funding levels and new initiatives, including the delivery of modular units of supportive housing. The targets reflect units to be created through provincial commitments supporting the acquisition and construction of affordable housing projects.

In 2020/21, BC Housing created 4,222 new units of housing in 46 communities across the province, surpassing the overall combined target of 3,500. Surpassing the target by more than 20 per cent is mainly due to 453 new units that were created to respond to homelessness under the COVID-19 Action Plan.

The intermittent nature of construction projects results in variable targets between fiscal years. The units' completed targets were revised in the Ministry of Attorney General 2021/22 Service Plan to reflect the growth of these projects.

## **Objective 1.2: Enhance safety, occupant health and accessibility, and sustainability of the built environment**

### **Key Highlights**

- In February 2021, the requirement that building officials who interpret, apply and enforce the B.C. Building Code meet standardized qualification criteria began to apply. This will better support the professionalism of building officials and facilitate greater consistency in how the BC Building Code is interpreted, applied, and enforced.
- To support sustainability, 13 more communities are now referencing the BC Energy Step Code (ESC), which requires higher levels of energy efficiency in new construction than the base BC Building Code. Work has commenced to support local governments to set their own carbon pollution standards for new buildings.
- Work has begun to lead work on the next iteration of the BC Building Code, working with the Parliamentary Secretary for Accessibility to ensure that it includes changes that will make new buildings more accessible for all people.
- A new edition of the Building Accessibility Handbook was digitally published with print publication expected thereafter. The 2020 handbook is designed to support BC Building Code users, such as architects, engineers, and builders, to create more accessible buildings.

Performance Measures	2019/20 Actuals <sup>3</sup>	2020/21 Target <sup>3&amp;4</sup>	2020/21 Actuals	2021/22 Target <sup>3&amp;4</sup>	2022/23 Target
1.2a CleanBC: Number of local governments referencing the Energy Step Code in bylaws and policies <sup>1,2</sup>	38	59	51	59	To be reset following 2022 BC Building Code <sup>2</sup>
1.2b New housing starts in communities referencing the Energy Step Code <sup>1,5</sup>	61%	69%	66%	69%	To be reset following 2022 BC Building Code <sup>2</sup>

<sup>1</sup> Data Source: Attorney General and Minister responsible for Housing 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.

<sup>2</sup> Under the CleanBC Plan the British Columbia Building Code will require higher levels of energy efficiency for all new buildings in 2022, matching or exceeding some local government requirements under the Energy Step Code and changing the number of local governments voluntarily adopting standards more stringent than the Code.

<sup>3</sup> Excludes City of Vancouver, as it is not regulated under the *Building Act*.

<sup>4</sup> Forecast assumes that communities that have committed to consulting on the Energy Step Code will later reference the ESC in policy, bylaw or through an incentive program.

<sup>5</sup> New housing starts based on available 2018 data, excluding City of Vancouver.

## Discussion of Results

Since the inception of the BC Energy Step Code in 2017, growing numbers of local governments are referencing the BC Energy Step Code through policy, programs, or bylaws. Further to this, more local governments are engaged in consultation on the BC Energy Step Code, in particular an increasing number of local governments outside the lower mainland and southern Vancouver Island are now consulting on or referencing the Step Code.

The slower than anticipated uptake by municipalities does concern some industry stakeholders because of the inconsistent requirements for energy efficiency. Nonetheless, municipalities are moving in the same direction and referencing the same technical requirements.

## Goal 2: A Fair Residential Tenancy Framework

By implementing a fair residential tenancy framework, the Ministry is providing stronger protections for renters and improved security for renters and landlords.

### Objective 2.1: Enhance tenancy policies and programs to support stability and fairness for renters and landlords in B.C.

#### Key Highlights

- Responded to the COVID-19 pandemic with important protections for renters including:
  - Moratorium on all evictions
  - Freeze on rent increases
  - Limits on access to rental suites and common areas to prevent transmission of the virus

- A repayment framework to allow tenants to repay any outstanding rent arrears
- Introduced legislative, policy and procedural changes to address a number of key recommendations of the Rental Housing Task Force (RHTF)
  - Stopping Renovictions (#1)
  - Strengthening Enforcement & penalties for breaking the law (#5, #6)
  - Making the RTB more responsive and accessible through a new case management system (#12)
  - Expanding grounds for appeal (#14)
  - Allowing email service (#17)
  - Ensuring tenants know where to go for help (#21)
  - Clarifying manufactured home park rules (#22)
- The University Endowment Lands, an area/program directly administered by Municipal Affairs, completed updates to its Official Community Plan that include a fair residential tenancy framework and provide stronger protections for renters by incorporating residential rental tenure zoning (RRTZ) provisions into all land use designations where multi-family residential is permitted in order to ensure the preservation of existing rental units and a secure supply of new rental units at the time of redevelopment.

Performance Measure	2019/20 Baseline	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
2.1 Number of RHTF recommendations addressed	6	6	15	17	20	25

## Discussion of Results

The COVID-19 pandemic required significant legislative and operational changes to respond to the needs of renters and landlords. This delayed plans to implement the Rental Housing Task Force recommendations in 20/21.

With the introduction of the *Tenancy Statutes Amendment Act*, in March 2021, the majority of the Rental Housing Task Force recommendations have been addressed. The Branch continues to work on the remaining recommendations as part of its ongoing commitment to address the needs of landlords and tenants.

## Objective 2.2: Create modern, affordable, and accessible services for renters and landlords

### Key Highlights

- RTB worked quickly to alter its policy and digital services to support the Branch’s pandemic response, including making it easier for citizens to access service and qualify for fee waivers.
- RTB’s new Digital Dispute Management system was leveraged to allow a near 100 per cent move to safe, remote work using digital cases, files and evidence.
- Dispute resolution hearings were not interrupted by COVID-19 restrictions because they are held by phone.

- As recommended by the Rental Housing Task Force, RTB designed and built two complex online services for landlords seeking approval to make additional rent increases and to end a tenancy for renovations. Additional enhancements were made to allow corrections, clarifications and reviews. This work will go live in the coming fiscal year.

Performance Measures	2018/19 Baseline	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
2.2a Average wait times: Emergency disputes	7.7 weeks	3.9	5 weeks	4.0	4 weeks	4 weeks
2.2b Average wait times: Urgent disputes	9.3 weeks	7.5	8 weeks	9.7	6 weeks	6 weeks
2.2c Average wait times: Monetary disputes	24.8 weeks	15.9	18 weeks	16.2	12 weeks	12 weeks

Data Source: RTB Case Management System.

For emergency hearings, rules of procedure prevented 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 have now been made to address this problem

## Discussion of Results

Applications for dispute resolution are prioritized so that emergency issues are heard first. Wait times remained relatively consistent from the previous fiscal year. Average wait times for emergency disputes and monetary disputes were below target. This is due to the eviction moratorium, in place from March to September 2020. During this time, disputes primarily related to possession of rental units were not allowed, therefore additional hearing spots were available for emergency or monetary applications. Application volumes spiked in September 2020 when the moratorium on evictions was lifted. This increase in applications resulted in longer wait times for the urgent disputes.

## Goal 3: Strong, Sustainable and Well Governed Communities

By cultivating strong partnerships and delivering services that support sustainable and well governed communities, the Ministry establishes a platform to support improved affordability, accessibility and community infrastructure that benefits all British Columbians.

### Objective 3.1: Further a governance system that considers local government and provincial interests and builds strong relationships for the benefit of all people

#### Key Highlights

- Built provincial-local government relations, including partnering on the first ever virtual annual Union of British Columbia Municipalities (UBCM) Convention (over 435 meetings with the Premier and Cabinet Ministers); also continued regular province-wide or regional direct calls between the Minister and locally elected leaders and senior staff on COVID issues, impacts and response (61 between April 2020 and March 2021).

- Supported local governments in reconciling with First Nations and building respectful relationships, including by helping to sustain and enhance the Community to Community Forum program.
- Enhanced the policy, legislative and education framework for local governments where needed, including: amendments to the *Local Elections Campaign Financing Act* (Bill 9, 2020) to implement lessons learned from the 2018 local government elections and strengthen local election campaign financing rules to increase accountability and transparency for elections; working with partners on furthering responsible conduct among locally elected officials (through the Working Group on Responsible Conduct); and continuing COVID-19 related emergency orders for temporary financial measures, meetings and hearings etc. under the *COVID-19 Related Measures Act*.
- Provided advice, resolved problems and gave targeted support and oversight on a range of local and regional governance matters, including a series of unprecedented Minister’s orders for local governments to safely hold by-elections and assent votes during the pandemic (24 between April 2020 and March 2021) and working with local government partners on “triage” support for communities facing governance challenges.
- Moved forward on the University Endowment Lands (UEL) Services, Structure and Governance Study, including undertaking the first public engagement phase in this work towards finding a longer-term solution for pressures that continue to challenge the UEL as the only urban area directly administered by the province.

Performance Measure	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
3.1 Actively engage with UBCM local governments and First Nations members with ongoing meetings between elected officials and staff, including:					
<ul style="list-style-type: none"> <li>• number of formal meetings held annually between UBCM Executives and the Minister of Municipal Affairs and Housing; and</li> </ul>	8	4+	9	4+	4+
<ul style="list-style-type: none"> <li>• number of meetings held annually between the Ministry, UBCM, individual local governments and UBCM First Nations members during UBCM Convention and throughout the year</li> </ul>	287	100+	295	100+	100+

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

## Discussion of Results

Ensuring a sound and balanced governance system requires active communication between the provincial government, local governments, and UBCM on a variety of issues and initiatives. While such interactions occur informally at many levels, more formal quarterly meetings

between the Minister and the UBCM Executive 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. Regular formal engagement is a key indicator of the health of provincial government-local government relations.

For fiscal 2020/21, the Ministry exceeded its communication targets with a total of nine meetings held between UBCM Executives and the Minister of Municipal Affairs. These included three quarterly UBCM Executive meetings, one Presidents Committee meeting, and five UBCM President meetings.

Meetings between the Ministry, UBCM, local governments and UBCM First Nations members during UBCM Convention and throughout the year totaled 295, including 61 COVID-19 related province-wide or regional calls between the Minister and local governments – in total, a three per cent increase from 2019/20. The number of meetings can vary each year depending on the issues.

While there was a 55 per cent decrease (64 meetings in 2019, 35 meetings in 2020) in the number of meetings with local governments and ministry staff at the 2020 UBCM Convention, this was due mainly to the uncertainty of the virtual Convention resulting from the COVID-19 pandemic. Outside of the UBCM convention, in 2020 MUNI Minister meetings with local governments and UBCM First Nations members increased slightly from 59 meetings in 2019 to 64 meetings.

### **Objective 3.2: Maintain local governments' financial sustainability so they can meet the service needs of their communities**

#### **Key Highlights**

- Developed emergency Minister's order MO 159 (May 2020) to provide temporary measures to help ensure the financial stability and liquidity of B.C. local governments, including authority to borrow from capital reserve funds, extension of revenue anticipation borrowing for another year and deferral of various financial reporting requirements until August 2020.
- As part of the joint Federal/Provincial Safe Restart Agreement, provided \$425 million in federal-provincial funding as direct grants to local governments, to address the fiscal impacts caused by the COVID-19 pandemic.
- Provided advice and statutory approvals on local government finance (revenues and expenditures) to support sound local government financial management practices and stewardship that ensures fiscal viability and supported local governments addressing COVID-19 impacts.
- 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 populations over 5,000 for community safety initiatives, through the Small Community Grants, Regional District Grants and the Traffic Fine Revenue Sharing Program.

- Worked in partnership with the Municipal Finance Authority (MFA) on COVID-19 impacts and supported them in obtaining a high credit rating and low rates for borrowing through overseeing the *Municipal Finance Authority Act*; 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.
- A credit rating score of AAA for the MFA was achieved for fiscal 2020/21, and no local governments experienced financial failure despite the impacts of COVID-19 on revenues and costs.

Performance Measure	Baseline	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
3.2 Municipal Finance Authority's Credit Rating <sup>1</sup>	AAA	AAA	AAA	AAA	AAA	AAA

<sup>1</sup> Data Source: [Municipal Finance Authority](#) Ratings provided by the Moody's, Standard & Poor's, and Fitch rating agencies

## Discussion of Results

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 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.

### **Objective 3.3: Support improvement of community and regional infrastructure and local government planning to further the environmental, economic and social health of communities**

#### **Key Highlights**

- As part of the Joint Federal/Provincial Safe Restart Agreement, developed and launched two application-based programs, administered through UBCM:

- Strengthening Communities Services Program provides \$100 million in federal-provincial funding to help B.C. communities address the impacts of homelessness, support people and strengthen community health and safety.
- Local Government Development Approvals Process Program provides \$15 million in federal-provincial funding to local governments to improve the effectiveness and efficiency of the development approvals process.
- Continued to work in partnership with UBCM to deliver the Housing Needs Report Program to assist local governments in meeting new legislative requirements to develop reports assessing local housing needs.
- Encouraged strong community planning, fiscal and asset management practices to support the development of sustainable communities.
- Supported 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 and sustainable land use and infrastructure planning.
- Partnered with the federal government to implement community capital funding programs for local governments and First Nations that build and upgrade local infrastructure including drinking water, wastewater, stormwater, clean energy, connectivity networks, recreation facilities, community centres and arts and culture spaces.

Performance Measure	2018/19 Baseline	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target
3.3 Number of local governments funded under the Housing Needs Reports Program <sup>1,2</sup>	N/A	120 local governments	30	31 <sup>3</sup>	10

<sup>1</sup> Data Source: Housing Needs Reports Program Evaluation Committee approval of funding applications.

<sup>2</sup> A 2022/23 target has not been included for measure 3.3, because the Housing Needs Reports Program is only intended to run for three years.

<sup>3</sup> This number includes 7 Treaty First Nations who applied for funding under expanded program eligibility criteria.

## Discussion of Results

On April 16, 2019, new legislative requirements took effect requiring local governments to collect data, analyze trends and develop reports that describe current and anticipated housing needs in B.C. communities. The reports are required to assess key housing needs, including the need for affordable housing, rental housing and homes for seniors, people with special needs, families and people at risk of homelessness. Completed reports are presented to local councils and boards and made available online.

As part of new legislative requirements, the Ministry established the Housing Needs Reports Program, a three-year, application-based fund of \$5 million, which supports local governments to assess and report on housing needs in line with the requirements of the program. In 2020, the Province expanded program eligibility to First Nations in B.C. with modern treaties.

Many of the funded reports have included engagement with First Nations, neighbouring communities, housing providers and other stakeholders to gain a better understanding of the housing needs for their community. Completed reports are broadening understanding of local housing needs, sparking important community conversations about how best to address these needs, and informing local government planning and land use actions.

The number of local governments requiring financial support has decreased over time, as many local governments successfully applied for funding in the program's first year. Most local governments have now received funding and have completed or are underway with their reports in advance of the deadline to meet the legislative requirement by April 2022. A fourth funding intake for the program occurred in spring 2021. Prospective applicants were advised that this would likely be the final intake for the funding program.

## **Financial Report**

### **Discussion of Results**

The Discussion of Results reports on the Ministry of Municipal Affairs financial results for the year ended March 31, 2021 and should be read in conjunction with the Financial Reporting Summary Table provided below.

During 2020/21, the Ministry received a total of \$378.307 million in other authorizations to fund a number of priority investments and to support COVID-19 response, relief, and recovery, including:

- Restart Funding for Local Governments
- Investing in Canada Infrastructure Program
- Community Economic Recovery Infrastructure Program
- District of Mission Fraser River Sanitary Crossing
- Kelowna Water Integration Project
- Sooke Wastewater Treatment Plan
- New Building Canada Fund – Small Communities Fund
- Government Transfers Budget Pressures
- Clean Water Wastewater Fund
- Local Government Partner Grants
- Social Procurement Initiative

The Ministry realized a surplus of \$1.141 million before adjustments due to government reorganizations and adjustment of prior year accruals. This surplus was due to lower costs incurred in the administration of the University Endowment Lands related to utilities, materials, and supplies.

**Financial Summary**

	Estimated	Other Authorizations <sup>1</sup>	Total Estimated	Actual	Variance
<b>Operating Expenses (\$000)</b>					
Local Government	110,263	377,955	488,218	488,580	362
Community and Legislative Services	3,203	-1,029	2,174	2,103	-71
Executive and Support Services	7,512	-677	6,835	6,837	2
Housing	505,858	-505,858	0	0	0
Workforce and Immigration		14,781	14,781	14,781	0
Libraries		2,478	2,478	2,470	-8
<b>Ministry Total<sup>2</sup></b>	<b>626,836</b>	<b>-112,350</b>	<b>514,486</b>	<b>514,771</b>	<b>285</b>
<b>Special Accounts (\$000)</b>					
University Endowment Lands Administration Account	10,593		10,593	9,452	-1,141
Housing Endowment Fund	12,884	-12,884	0	0	0
<b>Sub-Total</b>	<b>650,313</b>	<b>-125,234</b>	<b>525,079</b>	<b>524,223</b>	<b>-856</b>
Adjustment of Prior Year Accrual	0	0	0	91	91
<b>Ministry Total</b>	<b>650,313</b>	<b>-125,234</b>	<b>525,079</b>	<b>524,314</b>	<b>-765</b>
<b>Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)</b>					
Executive and Support Services	361		361	43	-318
University Endowment Lands Capital	3,900		3,900	2,386	-1,514
<b>Total</b>	<b>4,261</b>	<b>0</b>	<b>4,261</b>	<b>2,429</b>	<b>-1,832</b>

<sup>1</sup> "Other Authorizations" include Supplementary Estimates, Statutory Appropriations, Contingencies, and other changes due to the government reorganization. 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.

<sup>2</sup> Although the Ministry's voted appropriation is showing an overspend of \$0.285 million this amount is offset by corresponding underspend by the programs that were transferred to the Ministries of Attorney General, Finance and Transportation and Infrastructure as part of the Fall 2020 government reorganization.

## **Appendix A: Agencies, Boards, Commissions and Tribunals**

As of August 10, 2021, the Minister of Municipal Affairs is responsible and accountable for the following:

[Board of Examiners](#)

[Islands Trust Conservancy](#)