

THE NEW

Making a

*LOCAL*

Difference in

*GOVERNMENT*

Your Community

*ACT*



BRITISH  
COLUMBIA

Ministry of Municipal Affairs

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# Table of Contents

A New Act	1
A Principled Foundation	2
Improved Service Delivery	2
Sound Financial Management	3
Financial Accountability	4
Open Government	4
Balanced Land Use Planning	6
Clearer Land Use Regulations	7
Parkland Protected	7
Efficient Government	8
Putting the <i>Local Government Act</i> into Action	9

# A NEW ACT

The new *Local Government Act* is modern legislation that gives your local government – municipality or regional district – the tools it needs to meet the unique priorities of your local community.

The new *Act* changes how local governments will serve the public. On top of improving the way local governments do business, the *Act* makes it easier for the public to understand what is happening at their municipality or regional district and makes local government officials more accountable for their decisions. It will help them plan for the future and deliver the services citizens want.

The Ministry of Municipal Affairs and the Union of B.C. Municipalities (UBCM) have been working together since 1996 to update the *Municipal Act* that governs municipalities and regional districts. Through consultation, the legislation has been modernized in all of its core elements to give local governments more power and flexibility to adapt to new local challenges and design unique solutions customized to meet the needs of their citizens.

The new legislation recognizes local government “is an independent, responsible and accountable order of government.” This sets the stage for legislative provisions that enhance the autonomy of local governments. The new *Act* provides for broad corporate powers, broad service powers and enhanced planning powers while ensuring strong accountability to citizens.

The legislation establishes the basic purposes of local government:

- providing good government for the community;
- providing the works, services, facilities and other items local government considers necessary for all or part of its community;
- providing stewardship of the public assets of the community; and
- fostering the current and future economic, social and environmental well-being of its community.

The changes made to the *Municipal Act* over the past four years have been so sweeping that it has become the *Local Government Act*. As the name suggests, the new *Local Government Act* recognizes the important role played by *all* local governments – including both municipalities *and* regional districts. Renaming the *Act* also recognizes that the changes to legislation applying to local governments have been fundamental.

## A PRINCIPLED FOUNDATION

The *Local Government Act* is based on the following key principles:

**BALANCE** between the interests of citizens, local governments and the provincial government

**CLEAR, SIMPLE, AND UNDERSTANDABLE** legislation and related administrative procedures

**FLEXIBILITY** to respond practically to specific local needs and circumstances

**ACCOUNTABILITY** in fair and open decision processes, with local government accessible and answerable to citizens

**BROAD POWERS** to do business in new, innovative and more effective ways

**MATCHING RESOURCES TO RESPONSIBILITIES** to provide the expected level of services

**RESOLVING INTER-LOCAL GOVERNMENTAL ISSUES** through consultation, collaboration and closure on issues

**CONSULTATION** with local government on matters directly affecting local government decisions and activities as they relate to the *Act*

**PROVINCIAL INVOLVEMENT IN LOCAL AFFAIRS LIMITED** to areas where the government has a clear purpose, responsibility or interest.

## IMPROVED SERVICE DELIVERY

The *Local Government Act* gives local governments broad powers to deliver more services to the public in new ways. This means communities will get the services they need, tailored to local priorities, through their local governments – 154 municipalities and 27 regional districts. Local governments will be able to rethink what services to offer and how to deliver them so they can maximize service benefits while minimizing costs. They may want to deliver services in new ways within traditional areas like water or recreation, or consider expanding their services to new areas like economic development and safety. From now on, local governments can:

- establish and operate any service they decide is necessary or desirable for all or part of the community;
- make agreements with other governments or with private partners to provide or undertake services, works or facilities;
- acquire, manage and dispose of land and any other type of property, enhancing the ability to provide services in new and innovative ways;
- grant assistance to benefit the community, like exempting local groups from user fees or guaranteeing loans or providing land to non-profit housing societies; and
- delegate tasks to elected officials, staff, committees or local government bodies to streamline procedures and save time and money.

The *Local Government Act* makes new partnerships between municipalities, electoral areas, regional districts and public authorities easier to achieve. This means services can be provided jointly by several local governments — saving money, streamlining service delivery and allowing the development of new services.

Several municipalities within a regional district might jointly provide a single business license system to eliminate multiple licenses for a business operating in more than one municipality, cut costs, and reduce bureaucracy. Local governments could also work cooperatively to find solutions to irritating problems, for example, the use of local services, like recreation centres, by people living outside of local boundaries.

## SOUND FINANCIAL MANAGEMENT

The *Act* gives local governments more flexibility to manage their finances. Municipalities will now be required to make five-year financial plans, making them better able to forecast budgets, manage costs and plan cost-effective service delivery. This requirement will likely be extended to regional districts within three years.

Local governments have new powers to recover the costs of any service or regulatory scheme through fees, charges and taxes. However, users are protected because fees and charges must relate to the actual cost of providing the service or regulation. To relieve the tax burden on certain taxpayers, parcel taxes are no longer limited to services like roads, street lighting, sidewalks and

sewers, but may now also be used for services like recreation and fire protection. (A parcel tax is when a citizen pays the same amount of tax as a neighbour, regardless of the value of their property.)

Municipalities may also provide taxpayers with options for property tax payments, such as establishing one or more dates when taxes are due. This will help people who have difficulty paying their taxes in a single lump sum and will make it easier for them to budget. It will also help municipalities acquire funds needed to finance operations earlier in the fiscal year.

When services are delivered in partnership by cooperating local governments, costs are shared between these governments. In regional districts, only those areas benefitting from services will pay for them — not regional citizens as a whole.

Cranbrook is developing a major recreation complex, including an aquatic centre pool and ice arena along with private retail businesses using the public-private partnership provisions in the *Act*. The complex is being developed, owned and operated by the private sector on city land. At the end of 30 years, the facility will be owned by Cranbrook. The city contribution includes land, a partial property tax exemption and a lease-back of the aquatic centre.

## FINANCIAL ACCOUNTABILITY

The *Act* strengthens financial accountability. Local governments are now obligated to consult with the public when developing their five-year financial plans. In these financial plans, they must combine both operating and capital budgeting within a single document to make sure they are more easily understood. Local governments must also inform the public of other financial activities, such as annual financial reporting of council or board member remuneration.

In some circumstances, local governments must receive public input and approval before taking action. For example, the public must formally approve local government plans to incur longer-term financial liabilities.

## OPEN GOVERNMENT

The *Act* recognizes that citizens want to be involved and express their views about what happens in and to their communities. The *Local Government Act* emphasizes open government by balancing the interests of citizens and local governments. It makes sure local governments

### VOTING & COUNTER PETITIONS

When the *Local Government Act* requires voter approval for local government actions, the two most common forms of approval are voting and counter petition. In some cases — like the disposal of water utilities — a vote requiring majority approval is mandatory; in others approval may be gained through the opportunity to counter petition. In many cases, the legislation gives local governments the option of choosing to hold a vote or to provide a counter petition opportunity.

Counter petitions are generally used in less controversial matters as a litmus test of public opinion. Under a counter petition, the local government may proceed with an action unless five per cent of the electors petition against it within a set deadline. If more than five per cent petition against, the local government cannot proceed with the action until it has received elector approval through a vote.

Counter petitions are typically used for electoral approval of:

- exchange of parkland,
- long-term agreements,
- long-term capital borrowing, or
- long-term property tax exemptions.

are accessible and accountable to citizens, and that it consults with them before making major decisions. For example:

- Most municipal council, council committee, regional district board and board committee meetings must be open to the public. The only exceptions are discussions relating to issues where the need for confidentiality outweighs the need for openness.
- The public must be informed of the intended use of some of the new corporate powers. For example: notice must be given prior to the disposal of land or improvements; counter petition opportunities must be provided before granting assistance such as long-term property tax exemptions; and, elector approval is required for matters such as the disposal of water or sewer works.
- When the local government intends to incur a liability for more than five years, the public must be given the opportunity to counter petition.
- When establishing fees or charges for services, information must be provided to the public, upon request, on how the fee or charge was determined.
- The requirements for the use of counter petitions have been clarified, and the *Act* makes it an offense to knowingly provide misleading information.

- Under certain circumstances, councils and boards must provide an opportunity for citizens to appeal decisions to make sure there is fairness and accountability. For example, local governments must provide that staff decisions on development permits can be appealed to a council or board.
- Campaign contributions must be recorded and reported in more detail and there are clearer rules for filing campaign financing disclosure statements to ensure openness in the process.

## OFFICIAL COMMUNITY PLANS

An Official Community Plan (OCP) is a statement of objectives and policies that guides municipal and regional district decisions on planning and land use management within the area covered by the plan. As a policy document adopted by bylaw following a public hearing, the OCP is one of the most important of all local government bylaws because it provides a context for all local government actions. In particular, it guides all actions relating to the built environment, including capital expenditure decisions and zoning and subdivision regulations.

All OCPs are developed through a public process. The local government must provide one or more consultation opportunities for affected individuals, organizations and authorities to provide input into the OCP. The local government is free to choose the methods used for this consultation process.

## BALANCED LAND USE PLANNING

The *Local Government Act* requires local governments to promote socially, economically and environmentally healthy communities that make the best use of public facilities, services, land and other resources. It supports this requirement through legislative reforms that give local governments greater flexibility and broader scope to make land use plans and decisions that provide the greatest local benefits, manage growth, balance stakeholder interests, protect the environment and meet local priorities.

Local governments will be able to decide the content of their Official Community Plans (OCP) without provincial involvement once provincial guidelines are in place. There will no longer be any limit on the topics that can be discussed or included. This means local governments will be able to tailor their OCPs to meet their communities' unique needs. Local governments are encouraged to plan land use jointly so that they can work together to manage growth and achieve their shared priorities.

The OCP process will be more inclusive than ever before because the *Act* requires local governments to consult with those people the council or board considers will be affected when preparing, amending or repealing an OCP. Early, ongoing consultations with adjacent local governments, provincial and federal agencies, First Nations and other public authorities must be considered by the local government.

Local governments will also have more control over the form and character of residential developments, like small lot or in-fill housing, to address the concerns of neighbouring property owners and maintain community integrity.

## CLEARER LAND USE REGULATIONS

Local governments now have new powers to design more effective bylaws that meet community needs. For example, development permit and temporary use permit guidelines can now be incorporated into zoning bylaws.

## PROTECTED PARKLAND

The new legislation gives local governments more powers to manage parkland and other land assets by giving them title to land dedicated as parkland by subdivision developers. The requirement that proceeds from the sale of dedicated parkland will continue to go into a reserve fund for future parkland acquisition continues.

## EFFICIENT GOVERNMENT

The *Local Government Act* contributes to efficient local governments. New opportunities for partnerships between governments mean services offered in multiple jurisdictions may be integrated better. The *Act* provides the opportunity for local governments to undertake activities and deliver services more efficiently. For example, application processes for permits and approvals can be streamlined.

New provisions in the *Act* mean the province will be much less involved in local decisions, giving local governments more independence with greater accountability. Fewer provincial approvals will mean cost savings for provincial and local governments and faster decision-making and service delivery. The provincial government will be involved in approving local decisions only when there are long-term financial commitments or a provincial or third-party interest in a matter like public health, transportation or the environment.

## PUTTING THE *LOCAL GOVERNMENT ACT* INTO ACTION

Most of the *Local Government Act* has been put in place over the past few years. Local governments have already begun to work with it. They now have the ability to do their work better because they have more authority, flexibility and independence.

The new legislation also increases the public's access to local government. It allows the public to hold their local government accountable for service delivery, financial planning, land use, and how it does business.

Together, the public and their local government can work to build unique communities ready for the future.

For more information contact:

Ministry of Municipal Affairs  
Corporate Policy Branch  
P.O. Box 9490 Stn. Prov. Govt.  
Victoria, BC V8W 9N7

Phone: (250) 387-4084

Fax: (250) 387-6212

E-mail: [mareview@hq.marh.gov.bc.ca](mailto:mareview@hq.marh.gov.bc.ca)

Ministry of Municipal Affairs website –  
[www.marh.gov.bc.ca](http://www.marh.gov.bc.ca)

