Local Government Economic Development Tools

Ministry of Municipal Affairs and Housing
Catherine Lee and Brent Mueller

Small Business Week
October 24, 2019
Presentation Summary

- Ministry overview
- Local government legislation
- Local government economic development tools
- Local government planning system
Ministry Structure

- Local Government Division, Office of Housing and Construction Standards, Community and Legislative Services

- Governance and Structure Branch
  - Governance Relations Unit
    - Local government/First Nations relationships
    - Economic and social development support to local governments
      - Crown Grant Sponsorship
      - Business Improvement Areas
      - Environmental Assessments
      - Resort Development Support
Overall context

- BC provincial system is enabling
- Local governments are independent, accountable and autonomous
- Local governments determine community and regional interests
Legislation

- **Community Charter (CC)**
  - Service establishment - municipalities
  - Partnerships, corporations, commissions

- **Local Government Act (LGA)**
  - Provides the framework for local and regional planning, other land use management tools
  - Service establishment - regional districts
  - Corporations, partnerships, commissions
Key Economic Development Tools

- Broad Powers
- Partnerships
- Revitalization Tax Incentive
- Service Provision
- Business Improvement Area
- Corporations, Commissions and Societies
- Planning Tools
Broad Powers (1)

- **Broad service powers** *CC s. 8(2), LGA s. 332*

  *May provide any service considered necessary or desirable*

- **Partnering agreements:**

  *and may do this directly or through another public authority, or another person or organization*
Broad Powers (2)

- **Corporate powers** \( CC \text{ s. } 8(1), LGA \text{ s. } 263 \)
  - Enter into agreements
  - Create corporations and societies
  - Delegate
  - Own & dispose of land and other assets

- **Cost recovery powers** \( CC \text{ s. } 194, LGA \text{ s. } 397 \)

- **Regulatory powers** \( CC \text{ s. } 8(3-6), LGA \text{ ss. } 297-331 \)
Assistance to business

- **Prohibition against assistance to business**  
  *CC s. 25(1), LGA s. 273*

  a council/board must not provide a grant, benefit, advantage or other form of assistance to a business

- **Partnering agreements**  
  *CC s. 21, LGA s. 274*

  may provide assistance under a partnering agreement for the provision of services
# Partnerships

| **Statute** | CC s. 21, LGA s. 274: partnering agreement  
CC s. 175, LGA s. 403: liabilities under agreement  
CC s. 179(1), LGA s. 406(1): borrowing to lend, or guaranteeing debt, under an agreement  
CC s. 225, LGA ss. 392-396: tax exemption agreements  
CC s. 24, LGA s. 272: notice of assistance |
| **Purpose** | - Local governments can enter into agreements with a private partner to provide a service  
- Can provide assistance in terms of loans, guarantees or tax exemption |
| **Process** | - Provide notice of assistance  
- Need elector approval if liability under agreement or borrowing or guaranteeing  
- Need prov. approval if borrowing or guaranteeing |
# Revitalization Tax Exemptions

<table>
<thead>
<tr>
<th>Statute</th>
<th>Community Charter ss. 226 &amp; 227</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Purpose</strong></td>
<td>Broad range of community purposes</td>
</tr>
<tr>
<td></td>
<td>Provide a full/partial tax exemption</td>
</tr>
<tr>
<td><strong>Process</strong></td>
<td>General scheme laid out in bylaw</td>
</tr>
<tr>
<td></td>
<td>Notice to public</td>
</tr>
<tr>
<td></td>
<td>Agreement with property owner</td>
</tr>
<tr>
<td></td>
<td>Certificate issued once conditions met</td>
</tr>
<tr>
<td></td>
<td>No provincial or public approval</td>
</tr>
</tbody>
</table>

**Statute**

- Community Charter ss. 226 & 227

**Purpose**

- Broad range of community purposes
- Provide a full/partial tax exemption

**Process**

- General scheme laid out in bylaw
- Notice to public
- Agreement with property owner
- Certificate issued once conditions met
- No provincial or public approval
## Partnerships with First Nations

<table>
<thead>
<tr>
<th>Statute</th>
<th>CC s. 23, LGA s. 263(1)(b): agreements with public authorities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Purpose</strong></td>
<td>■ Local governments can enter into agreements with First Nations respecting:</td>
</tr>
<tr>
<td></td>
<td>■ Services</td>
</tr>
<tr>
<td></td>
<td>■ Operation and enforcement in relation to regulatory authority</td>
</tr>
<tr>
<td></td>
<td>■ Management of property or an interest in property</td>
</tr>
<tr>
<td><strong>Process</strong></td>
<td>■ Public notice not required</td>
</tr>
<tr>
<td></td>
<td>■ Public approval not required but advisable</td>
</tr>
</tbody>
</table>
Pitt Meadows – Katzie First Nation
## Local Services

<table>
<thead>
<tr>
<th>Statute</th>
<th>Community Charter s. 8</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Purpose</strong></td>
<td>Provide any service that Council considers necessary or desirable</td>
</tr>
<tr>
<td><strong>Process</strong></td>
<td>- Bylaw not required, unless in only part of the municipality</td>
</tr>
<tr>
<td></td>
<td>- Pass a resolution</td>
</tr>
<tr>
<td></td>
<td>- Include in financial plan</td>
</tr>
<tr>
<td><strong>Cost Recovery</strong></td>
<td>Costs can be recovered by property tax, user fees, other means</td>
</tr>
</tbody>
</table>
### Business Improvement Areas

<table>
<thead>
<tr>
<th>Statute</th>
<th>Community Charter s. 215</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Purpose</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Broad power for business promotion</td>
</tr>
<tr>
<td></td>
<td>- Exception to prohibition against aid</td>
</tr>
<tr>
<td><strong>Process</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Petition or council initiative</td>
</tr>
<tr>
<td></td>
<td>- No provincial approval</td>
</tr>
<tr>
<td><strong>Cost Recovery</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Parcel or property value tax</td>
</tr>
<tr>
<td></td>
<td>- Tax on another basis set out in bylaw (e.g. dollar amount per square foot)</td>
</tr>
</tbody>
</table>
Business Improvement Areas
# Regional District Services

<table>
<thead>
<tr>
<th>Statute</th>
<th>Local Government Act s. 332</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Purpose</strong></td>
<td>Provide any service the Board considers necessary and desirable for all or part of the regional district</td>
</tr>
<tr>
<td><strong>Process</strong></td>
<td>Created by assent vote, alternative approval process, petition or participating area consent</td>
</tr>
<tr>
<td></td>
<td>Most services require establishing bylaw</td>
</tr>
<tr>
<td></td>
<td>Provincial approval is required</td>
</tr>
<tr>
<td><strong>Cost Recovery</strong></td>
<td>Costs can be recovered by property tax or parcel tax and other means</td>
</tr>
</tbody>
</table>
• Service of the Regional District of Central Okanagan

• Provides economic development services to all areas within the regional district

• Programs for business enhancement, investment attraction, technology expansion, arts/culture/tourism, agriculture support
# Commissions

| **Statute** | Community Charter ss. 143 & 154  
Local Government Act ss. 229 & 263 |
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td><strong>Purpose</strong></td>
<td>Local governments can establish and appoint commissions to:</td>
</tr>
<tr>
<td></td>
<td>- Operate services</td>
</tr>
<tr>
<td></td>
<td>- Undertake operation and enforcement in relation to regulatory authority</td>
</tr>
<tr>
<td></td>
<td>- Manage property or an interest in property</td>
</tr>
<tr>
<td><strong>Process</strong></td>
<td>Commission establishment bylaw</td>
</tr>
<tr>
<td></td>
<td>Delegate power by bylaw</td>
</tr>
<tr>
<td></td>
<td>No provincial or public approval</td>
</tr>
</tbody>
</table>
## Corporations

| Statute       | Community Charter s. 185  
|               | Local Government Act ss. 263 & 265 |
| Purpose       | Local governments can incorporate a corporation or acquire shares in a corporation |
| Process       | Provincial approval required  
|               | Public process – public meetings, referendum, consultation |
## Societies

| Statute                      | Community Charter s. 8  
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Local Government Act s. 263</td>
</tr>
<tr>
<td></td>
<td>Societies Act s. 3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Local governments become member of existing society or incorporate their own</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Process</th>
<th>If incorporated, process under the Societies Act</th>
</tr>
</thead>
</table>
Gibsons Community Building Society

Welcome to Gibsons Public Market
A vibrant hub of coastal life
Land Use Planning

- BC’s system emphasizes local autonomy
- Framework for growth and development
- Clear direction and certainty for investment
- Attractive communities attract business
- Legislation requires some specific content, e.g. residential, commercial, industrial, agricultural, recreation, public utility and infrastructure
Regional Growth Strategies

- Collaborative regional planning exercise
- Focus on private land use management to build compact, complete communities
- Mandatory Content: economic development; housing; transportation; parks and natural areas; and climate change
Other Regional Strategies

- Regional Development
- Agriculture
- Tourism
- Parks
Official Community Plans

- OCP’s and Neighbourhood Plans
- Legislation sets out required and optional content
- Communities use these plans/documents to express their long-term vision and interests
- Carried out in municipalities and in unincorporated communities managed by regional districts
- Consultation with First Nations and Provincial Agencies
Development Approvals Process Review

- Reviewing the current system
- Identifying challenges and opportunities
- Maintain respect for the principles of our system – local autonomy, transparency
- Healthy and safe development decisions that reflect community values
Implementation Tools

- Zoning
- Subdivision standards and approvals
- Service Agreements
- Phased development agreements
- Development cost charges
- Development permits
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Resources

Local government legislation
- [https://www2.gov.bc.ca/gov/content/governments/local-governments/facts-framework/legislative-framework](https://www2.gov.bc.ca/gov/content/governments/local-governments/facts-framework/legislative-framework)

Local government powers
- [https://www2.gov.bc.ca/gov/content/governments/local-governments/governance-powers](https://www2.gov.bc.ca/gov/content/governments/local-governments/governance-powers)

Partnering agreements
- [https://www2.gov.bc.ca/gov/content/governments/local-governments/governance-powers/powers-services/partnering-agreements-for-service-delivery](https://www2.gov.bc.ca/gov/content/governments/local-governments/governance-powers/powers-services/partnering-agreements-for-service-delivery)

Local government-First Nations partnerships
- [https://www2.gov.bc.ca/gov/content/governments/local-governments/governance-powers/collaborating-building-relationships/relations](https://www2.gov.bc.ca/gov/content/governments/local-governments/governance-powers/collaborating-building-relationships/relations)
Resources

Revitalization tax exemptions

- https://www2.gov.bc.ca/gov/content/governments/local-governments/finance/requisition-taxation/tax-exemptions/permissive-tax-exemptions/municipal-revitalization-tax-exemptions

Local area services

- https://www2.gov.bc.ca/gov/content/governments/local-governments/governance-powers/powers-services/municipal-powers-services/services/local-area-services

Regional district services

- https://www2.gov.bc.ca/gov/content/governments/local-governments/governance-powers/powers-services/regional-district-powers-services
Resources

Business Improvement Areas

- http://www.bia.bc.ca/

Corporations

- https://www2.gov.bc.ca/gov/content/governments/local-governments/governance-powers/economic-development/local-government-corporations
Resources

Commissions

- https://www2.gov.bc.ca/gov/content/governments/local-governments/governance-powers/powers-services/regional-district-powers-services/committees-commissions
- https://www2.gov.bc.ca/gov/content/governments/local-governments/governance-powers/powers-services/municipal-powers-services/delegation-of-powers-or-duties

Societies

- https://www2.gov.bc.ca/gov/content/employment-business/business/not-for-profit-organizations/societies
Resources

Land use planning
- https://www2.gov.bc.ca/gov/content/governments/local-governments/planning-land-use/local-government-planning

OCPs
- https://www2.gov.bc.ca/gov/content/governments/local-governments/planning-land-use/local-government-planning/official-community-plans

RGS
- https://www2.gov.bc.ca/gov/content/governments/local-governments/planning-land-use/local-government-planning/regional-growth-strategies