



Capacity Funding for Local Government Housing Initiatives

Program Scope and Guidelines

Update: December 2025

1. Introduction

The Government of British Columbia has provided \$51 million in grant-based funding to help facilitate implementation and support local governments to meet new legislative requirements of Housing Statutes (Residential Development) Amendment Act (Bill 44), Housing Statutes (Transit-Oriented Areas) Amendment Act (Bill 47) and Housing and Municipal Affairs Statutes Amendment Act (Bill 25) and to adopt new authorities under Housing Statutes (Development Financing) Amendment Act (Bill 46) and Housing Statutes Amendment Act (Bill 16).

Grants have been distributed to 160 municipalities, 27 regional districts and the Islands Trust. The grant amounts are based on a formula with two components: a flat funding amount and a per-capita amount. For municipalities, the flat amount is \$150,000 and the per-capita amount is \$4.39. For regional districts, the flat amount is \$80,000 and the per-capita amount is \$5.80.

2. Eligible Projects

The grant funding will support local government planning capacity to adopt Local Government Housing Initiative requirements for small-scale multi-unit housing, pro-active planning tools or bylaws for inclusionary zoning, density bonus or tenant protection.

Funding can be spent on any planning and implementation activities or costs (including incremental staff and administration costs provided they relate directly to the eligible activities) that local governments need to undertake to successfully meet the legislative requirements of Bill 44, Bill 47 and Bill 25, and to update or adopt tools from Bill 46 and Bill 16.

Any funds provided by the Province to the Recipient that cannot be committed to an eligible project must be returned to the Province upon written request.



Examples of eligible projects include a new project or update to an existing plan or bylaw:

- housing needs report (HNR)
- official community plan (OCP)
- zoning bylaw
- development cost charge (DCC) bylaw
- amenity cost charge (ACC) bylaw
- transit oriented density bylaw
- transportation, parks or neighbourhood plan
- procedures and fees bylaw
- works and services bylaw
- parking bylaw
- inclusionary zoning bylaw
- building bylaw
- subdivision bylaw
- affordable and special needs housing zoning bylaw
- density benefits zoning bylaw
- tenant protection bylaw
- housing strategy
- infrastructure master plans
- asset management plans or strategies
- long-term financial plan
- capacity modelling/analysis
- condition and risk assessments
- demand management strategies
- water supply feasibility study
- stormwater surcharge or rainwater recharge studies

Eligible projects must:

- Meet the requirements of the updated *Local Government Act* or *Vancouver Charter*.
- Once completed, be received by the local government Council, Board or Local Trust Committee in a meeting open to the public. In the case of regional projects, the report must be received by the Council, Board or Local Trust Committee responsible for each planning area that is included in the project.
- Once completed, be published online for free public access.

3. Eligible Use of Funds

Eligible Costs and Activities:

Eligible costs are direct costs that are approved for funding, properly and reasonably incurred, and paid by the local government to carry out eligible activities.



Funding can be used for regional projects that cover two or more planning areas (i.e., municipalities, electoral areas, local trust areas). A municipality may contribute from its funding to a regional project if that municipality is a participant and the funding is dedicated for planning purposes.

Examples of eligible activities include:

- Project management and co-ordination.
- Data collection (from public agencies and/or other data sources), compilation and analysis, not including the collection and compilation of data made available at no cost via the Province for the purpose of eligible projects.
- Research specific to eligible projects.
- Community engagement activities (i.e., online and physical promotion and advertising materials, community surveys, events and engagement activities, collaboration with neighbouring local governments, Indigenous governments and communities, and partner organizations).
- Publication of eligible projects (i.e., editing, proofing, graphic design, online material distribution).
- Presentation of eligible projects to Council, Board or Local Trust Committee.

The following costs are also eligible, provided they relate directly to the eligible activities identified above:

- Incremental staff and administration costs (i.e., creating a new position, hiring a summer student or adding new responsibilities to an existing position).
- Software and digital costs to support eligible activities (i.e., survey platform fees, subscription fees for digital engagement, web and IT services related to online materials and engagement).
- Consultant or other third-party contract costs relating to eligible projects.
- Public information, consultation and engagement costs.
- Training and capacity building for local government staff specific to eligible projects.

Ineligible Costs and Activities:

Ineligible costs and activities include:



- Collection of data similar to that made available at no cost via the Province for housing needs reports (HNRs), official community plans (OCPs), zoning bylaws, or other purposes.
- Routine or ongoing operating and/or planning costs or activities that are not instrumental or necessary to successfully complete the project (e.g., tracking and reporting of development and building permits).
- Capital costs (including computer hardware).
- Land acquisition.
- Other costs unrelated to eligible projects (i.e., costs associated with onboarding/training new staff, purchase of software, licenses, service subscription and membership fees for unrelated projects).

Freedom of Information and Protection of Privacy Act:

Activities must comply with all applicable privacy legislation under the *Freedom of Information and Protection of Privacy Act* in relation to the collection, use or disclosure of personal information while conducting funded activities. Personal information is any recorded information about an identifiable individual other than their business contact information. This includes information that can be used to identify an individual through association or inference.

4. Grant Management

Grant recipients are responsible for completion of the project(s) and for meeting reporting and legislative requirements.

Recipients are also responsible for proper fiscal management, including maintaining acceptable accounting records for the project. Ministry of Housing and Municipal Affairs reserves the right to review project documents and costs. Recipients must retain records until December 31, 2026 or for 12 months after project completion (whichever occurs last).

The Province expects local governments to use this funding prior to December 31, 2025, by which time they are required to have completed the update of their OCP and zoning bylaws to meet recent legislative requirements. However, those local governments that cannot spend the funds by this time can use the funding till the end of 2026.



5. Reporting Requirements

Each recipient must continue to report annually on how they have used the funds and their progress implementing the local government housing requirements until the grant funding is entirely expended.

A link to an online report form will be sent to local governments in advance of each reporting period.

The online report forms are required to be completed within 45 days of the end of the reporting period for each calendar year (i.e., January 1 to December 31).

Recipients will be required to summarize the following information:

- The total amount of funding expended during the reporting period and the balance of the funding remaining at the end of the reporting period.
- Total project(s) budget and expenditures on each project during the reporting period.
- A brief description of the project(s) the funding was used to support.
- How the project(s) aids in meeting the new legislated requirements (e.g., update of zoning bylaw to accommodate small-scale, multi-unit housing, adoption of transit-oriented development area bylaw, development of an amenity cost charge (ACC) bylaw, development of a transportation plan to support proactive-zoning and area planning).
- Progress achieved on the project in the reporting period (e.g., updated parking bylaw passed second reading, updated zoning, designation of transit-oriented development areas completed).
- The date by when the recipient has met a legislative requirement (e.g., approval of updated parking bylaw so it is now consistent with transit-oriented development legislation). The Ministry will be documenting this information to monitor progress across the province in meeting the new requirements.

Recipients must provide a separate report (schedule) to their annual audited financial statements (as required under s.167 of the *Community Charter* and s. 377(1)(a) of the *Local Government Act*) until the Local Government Housing Initiatives funding is fully expended (drawn down to zero). The form of the schedule to the annual audited financial statements will be left to the discretion of the local government. The Ministry retains the right to request additional information from local governments as required. This report does not need to be audited.



6. Additional Information

For enquiries about the program, please contact:

Ministry of Housing and Municipal Affairs
800 Johnson Street
Victoria, B.C., V8W 1N3

Email: PLUM@gov.bc.ca

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For more on the new legislative requirements, supporting data and guidance, please visit the webpage where Ministry of Housing and Municipal Affairs will provide updates on local government housing initiatives: [Local government housing initiatives - Province of British Columbia](#).