

TO: CITY MANAGER

DATE: 2019 March 18

FROM: DIRECTOR PLANNING AND BUILDING

FILE: 2125 20
Reference: UBCM Resolutions

SUBJECT: 2019 UBCM RESOLUTIONS

PURPOSE: To present resolutions for submission to the 2019 Lower Mainland Local Government Association (LMLGA) Annual General Meeting and the Union of BC Municipalities (UBCM) Convention.

RECOMMENDATIONS:

1. **THAT** Council endorse the three new resolutions outlined in Section 3.0 of this report for submission to the 2019 LMLGA AGM and the 2019 UBCM Convention.
2. **THAT** staff be authorized to forward a copy of this report, accompanied by any applicable background reports and information, to the UBCM, located at Suite 60, 10551 Shellbridge Way, Richmond, BC V6X 2W9.
3. **THAT** copies of this report be forwarded for information to Burnaby MLAs.

REPORT**1.0 INTRODUCTION**

Each year, resolutions are considered for submission to the Lower Mainland Local Government Association (LMLGA) Annual General Meeting and the Union of B.C. Municipalities (UBCM) Convention. These resolutions are a means to request amendments to the *Community Charter*, *Local Government Act* and other Provincial or Federal legislation and policies to address issues of significance to local government.

This report presents three new resolutions for Council's consideration as a submission to the 2019 LMLGA AGM and the 2019 UBCM Convention. The UBCM Convention will take place from 2019 September 23 – 27, in Vancouver B.C. The deadline for any further resolution submissions made directly to the UBCM is 2019 June 30.

For the convenience of Council, this report also details senior government response to resolutions previously approved by Council and submitted to the UBCM Convention in 2018 and 2017.

2.0 POLICY SECTION

The proposed 2019 resolutions are aligned with the City of Burnaby's Corporate Strategic Plan by supporting the following goals and sub-goals of the Plan:

- A Dynamic Community
 - Economic Opportunity
 - Community Development
- A Connected Community
 - Partnership

To learn more about the City of Burnaby's Corporate Strategic Plan, please visit www.burnaby.ca/CSP.

3.0 2019 UBCM RESOLUTIONS

This section provides background information on three new resolutions that have been developed for Council's consideration and possible submission to the 2019 LMLGA AGM and UBCM Convention.

3.1 Resolution: Increase 'Statement of Financial Information' Reporting Thresholds

Under section 2(3) of the *Financial Information Act*, local governments must submit an annual 'Statement of Financial Information' (SOFI) Report to the Provincial government within 6 months after the end of each fiscal year.

Under *Section 2(3)(a)(b)* of the *Act*, the SOFI Report must include a schedule noting each employee earning more than a prescribed amount, the total remuneration paid to the employee and the total amount paid for the employee's expenses. The SOFI Report must also include a schedule showing the total amount paid to each supplier of goods or services during the fiscal year that is greater than a prescribed amount.

Under *Section 4(1)(a)(b)* of the *Act*, the prescribed amount for reporting employee remuneration is currently set at \$75,000 and the prescribed amount for payments to each supplier of goods or services is set at \$25,000. The threshold guidelines for this reporting were last amended in September 2002.

Inflation has risen significantly since the last update of the *Act*, and local government employee remuneration, under collective agreements, has risen accordingly. As such, an ever increasing proportion of municipal employees are subject to the SOFI report. In addition, costs of goods and services have increased making a greater proportion of supplier costs subject to reporting. These increases place an undue administrative reporting burden on local governments. This pressure is felt by all local governments in British Columbia, particularly smaller municipalities with limited administrative capability.

As such, the following resolution has been prepared for Council's consideration:

RESOLUTION: Increase 'Statement of Financial Information' Reporting Thresholds

WHEREAS the *Financial Information Act* was last amended in September 2002 to increase the prescribed thresholds for reporting employee remuneration and payments to suppliers of goods and services in the 'Statement of Financial Information';

AND WHEREAS the BC Consumer Price Index has risen by approximately 25 percent since 2002 but the thresholds for reporting employee remuneration and payments to suppliers of goods and services in the 'Statement of Financial Information' has remained constant and has not kept pace with inflation;

THEREFORE BE IT RESOLVED that the Union of BC Municipalities request the Ministry of Finance to amend the *Financial Information Act* to increase the thresholds for reporting employee remuneration and payments to suppliers of goods and services in the 'Statement of Financial Information'.

3.2 Resolution: Elected Local Government Officials Participation in the Municipal Pension Plan

Currently in British Columbia elected officials do not meet the employee eligibility requirements to become members of the Municipal Pension Plan. This is based upon the Plan's definition of an eligible employee. Elected officials hold tenure of office and as such they are not bound by a contract of service as would normally apply to an 'employee'. As there is no contract of service with specific duties and responsibilities that would exist in a typical employee/employer relationship, members of Council are not considered to be an employee under the Municipal Pension Plan and are therefore not eligible for membership in the plan.

However, the provinces of Ontario and Quebec have approved legislation to enable elected local government officials to participate in the provincially administered pension plans in place in these jurisdictions. Elected officials provide a significant service to their communities through the time and effort invested during their tenure of office, particularly for those who serve multiple terms. This is an experience felt by all elected local government officials in British Columbia.

As such, the following resolution has been prepared for Council's consideration:

RESOLUTION: Elected Local Government Officials Participation in the Municipal Pension Plan

WHEREAS elected local government officials contribute a significant service to the communities they represent through the time and effort invested during their tenure of office;

AND WHEREAS elected local government officials in other Canadian jurisdictions, including Quebec and Ontario, are considered eligible to participate in the municipal pension plans in place in these locations;

THEREFORE BE IT RESOLVED that the Union of BC Municipalities request the Ministry of Finance, and any other applicable bodies, to amend the *Public Sector Pension Plans Act* to permit the eligibility of Elected Local Government Officials to participate in the Municipal Pension Plan.

3.3 Resolution: BC Building Code Alignment with National Building Code of Canada – Secondary Suites

Approximately every five years, the National Research Council of Canada releases a new edition of the National Building Code of Canada. Some provinces, such as Saskatchewan and Nova Scotia, adopt the National Building Code in its entirety. British Columbia, however, publishes its own Code through regulations that are informed by the National Building Code. Given this process, variations often occur between the National Building Codes and the BC Building Code. While these variations most often reflect realities of the local context, sometimes the differences can cause unnecessary confusion and limit the possibilities for creation of rental housing.

For example, the BC Building Code 2018 currently does not permit secondary suites in a duplex or other multi-family building such as a townhouse. However, the National Building Code 2015 does outline provisions for including suites in multi-family buildings. Secondary suites are an affordable rental alternative to apartment living for many individuals and families in tight housing markets across B.C. As such, limiting the creation of such suites through the BC Building Code regulations is problematic, particularly when the National Building Code permits them.

The recently updated 2018 BC Building Code has in many respects moved closer, or exceeds, the standards contained within the most recent 2015 National Building Code. For example, the BC Building Code 2018 combines the requirements of the National Building Code 2015 with B.C.'s existing requirements to achieve a higher level of building accessibility. However, standards relating to secondary suites have not been harmonized between the two Codes leading to missed rental housing opportunities. This is a common experience of many local governments across British Columbia, particularly those in the Lower Mainland and Southern Vancouver Island.

As such, the following resolution has been prepared for Council's consideration:

RESOLUTION: BC Building Code Alignment with National Building Code of Canada – Secondary Suites

WHEREAS the National Building Code of Canada is a model document developed by the National Research Council of Canada, via a collaborative expert-driven process;

AND WHEREAS the BC Building Code, though in many instances exceeding the standards of the National Building Code, is currently limiting the creation of affordable rental housing options, specifically secondary suites, through its standards;

THEREFORE BE IT RESOLVED that the Union of BC Municipalities request the Ministry of Municipal Affairs and Housing to revise the BC Building Code in respect to secondary suites in order to bring it into alignment with the National Building Code of Canada.

3.4 Next Steps

Pending approval by Council, these three proposed new resolutions will be forwarded to the Lower Mainland Local Government Association (LMLGA) AGM and the Union of BC Municipalities (UBCM) annual Convention (2019 September 23 – 27) for discussion and endorsement consideration. The UBCM deadline for any further resolutions desired by Council is 2019 June 30.

4.0 2018 UBCM RESOLUTIONS

4.1 **Resolution: Taxation Reforms to protect farming uses in the Agricultural Land Reserve**

At its meeting of 2018 March 12, Council approved a resolution urging the Province to pursue taxation reform mechanisms to protect Agricultural Land Reserve (ALR) land for farming uses. The ALR is a provincial zone in which agriculture is recognized as the priority use. Farming is encouraged and non-agricultural uses are restricted. The zone is managed by the Provincial Agricultural Land Commission (ALC). Burnaby's agricultural lands are located in the Big Bend area, and include 234 hectares within the ALR as well as lands outside the ALR that are zoned for agriculture.

The resolution was prepared as a result of a discussion stemming from *The Metro Vancouver Regional Report (Summer 2010 & 2011) Agriculture Land Use Inventory*, which outlines that only 13 percent of the ALR in Metro Vancouver is used solely for farming, with another 43 percent is used for farming in combination with other uses (e.g. residential). This resolution was endorsed at the 2018 UBCM Convention.

In 2018 November, the Provincial Government introduced Bill 52, the Agricultural Land Commission Amendment Act. The Bill restricts the size of residential buildings on ALR lands to 5,400 square feet. Exemptions would be potentially available should special circumstances warrant (e.g. multi-generational farming family living together). As well, existing homes and homes well advanced in construction are exempt. The Bill also eliminates the previous two zone administrative structure (i.e. Zone 1: Island, Okanagan, South Coast / Zone 2: Interior, Kootenay, North), and increases penalties for the dumping of construction debris and other toxic waste on ALR land.

On 2018 November 27, Bill 52 received Royal Assent and the changes officially took effect on 2019 February 22. As well, in its response to the resolution noted above, the Ministry of Agriculture noted that "Ministry staff are working with the Ministry of Municipal Affairs and Housing and the Ministry of Finance to explore potential options to better ensure farm property tax benefits support the intended recipients". Staff will keep Council apprised of any further developments.

4.2 Resolution: Software Consumer Protections for Public Institutions

At its meeting of 2018 March 12, Council approved a resolution asking for the Federal government to consider additional consumer protection mechanisms for public institutions when purchasing software as well as related support and maintenance programs. This resolution arose from concerns discussed by Council in Fall 2018 regarding the significant financial pressure upon cities and other public institutions to make financially prudent software investment decisions while still maintaining an expected level of electronic customer service. More specifically, the terms and conditions imposed by the software/technology vendors are becoming increasingly problematic in terms of accelerated product obsolescence, total cost of ownership and the ability to maintain citizen data across the entire product lifecycle.

This resolution was endorsed at the 2018 UBCM Convention. To date, no response has been received from the Federal government. Staff will update Council should a response be received.

4.3 Resolution: Enhanced Municipal Bylaw Fine Collection Procedures

At its meeting of 2018 March 12, Council approved a resolution requesting the Provincial Government to further streamline the mechanisms available for local government when collecting bylaw fines, particularly those that are outstanding. The existing processes available to local governments are time-consuming, costly and onerous for local governments. For example, the court online filing system for unpaid fines could be improved so that multiple fines outstanding against one person could be filed together, rather than separately as currently required. This simple change would reduce both the time and filing administration costs (charged by the courts for each filing) borne by cities, and correspondingly increase the rate of fine collection.

This resolution was endorsed at the 2018 UBCM Convention, and was similar to another resolution submitted by the Resort Municipality of Whistler. In its response, the Ministry of Municipal Affairs and Housing stated that there are other reasonable remedies available to local governments for levying, administering, and collecting fine violations and that the Province is not currently prepared to examine this matter.

5.0 STATUS OF ACTIVE 2017 RESOLUTIONS

5.1 Resolution: Maintaining Tax-free Status of Employer-provided Health Benefit Plans

On 2017 April 3, Council received a report regarding the Federal Government's consideration of amendments to the *Federal Income Tax Act* that would result in Canadians being taxed on employer-provided health benefit plans.

Many middle class and lower income Canadians rely on employer-provided health benefits to sustain their health. Given this concern, at its meeting of 2017 May 29, Council passed a resolution urging the Federal government to maintain the tax-free status of employer-provided health benefit plans. The resolution was endorsed by the UBCM at the 2017 Convention.

The Federal government subsequently announced that it had no plans to pursue these amendments. However, the Federal government also indicated at that time that employer-

provided health benefits were being scrutinized as part of a sweeping review of tax credits with the goal of achieving greater tax equity. There was no mention of such a measure in either the 2017 or the 2018 Federal budget.

However, in 2018 June, a report was issued by the Office of the Parliamentary Budget Officer, which stated that the inclusion of the value of employer-paid health plans in the taxable income of employees would increase the Federal government's revenues by \$3.8 billion. Given this report, some concern still exists that this measure may be revisited in the future. Staff will keep Council apprised of any further developments.

5.2 Resolution: Provincial Compensation for Delinquent Municipal Property Taxes on Properties not Subject to Tax Sale

On 2017 February 22, Council received a memo outlining an instance whereby the City was unable to pursue the courses of action outlined in the *Community Charter* and the *Local Government Act* to resolve delinquent taxes on a water lot leased by a third party from Port Metro Vancouver. This matter highlighted the complex, time consuming, and inadequate provisions available to local governments to recover lost revenue for properties not subject to tax sale.

Accordingly, at its meeting of 2017 May 29, Council approved a resolution requesting that the Provincial government repeal *Division 13, Section 257(6)* of the *Community Charter* and add a provision that makes the Province the final guarantor of taxes payable to a municipality in all cases when taxes are unrecoverable on Crown land held under lease or licence, or other property not subject to Tax Sale under *Section 254* of the *Charter*.

The resolution was endorsed at the 2017 UBCM Convention. In response to this resolution, the Provincial government at the time stated that local governments could apply the legal remedy of 'distress', in accordance with *Section 252* of the *Community Charter*. The Province indicated that local governments could use this mechanism to collect on outstanding taxes before they become delinquent', thereby providing an opportunity to collect prior to provincial cancellation of a Crown lease. No further response from the current Provincial government has been received.

6.0 SUMMARY AND CONCLUSION

This report proposes three new resolutions for submission to the 2019 LMLGA AGM and UBCM Convention. For the convenience of Council, the report also provides an update on resolutions submitted in 2018 and 2017.

It is recommended that Council endorse the three new resolutions, as outlined in Section 3.0 of this report, for submission to the LMLGA AGM and 2019 UBCM Convention. It is also recommended that staff be authorized to forward a copy of this report, accompanied by any supporting background reports and information, to the UBCM. Finally, it is recommended that a copy of this report be circulated to Burnaby MLAs for information.

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Any additional resolutions which may come forward subsequent to this report, and prior to the 2019 June 30 UBCM deadline, may be submitted directly to the UBCM for possible consideration at the 2019 UBCM Convention.


Lou Pelletier, Director
PLANNING AND BUILDING

RM:sa

cc:	Director Corporate Services	Fire Chief
	Director Engineering	Chief Building Inspector
	Director Finance	Chief Librarian
	Director Parks, Recreation and Cultural Services	City Solicitor
	Director Public Safety and Community Services	OIC – RCMP
	City Clerk	

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