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REPORT TO GOVERNANCE COMMITTEE MEETING OF WEDNESDAY, JULY 10, 2024

SUBJECT **Advocacy to Support Local Government Act Legislative Reform Initiative**

ISSUE SUMMARY

The Regional District of Nanaimo is seeking support from local governments across BC in advocating for legislative reform to the *Local Government Act*, to modernize the powers and tools that regional districts have to respond to current social, political, and economic challenges.

BACKGROUND

Since 2021, the Regional District of Nanaimo (RDN) has been leading an initiative to update and modernize the *Local Government Act (LGA)*. Since that time, the RDN Chair and CAO have presented at numerous forums and co-hosted panel discussions at AVICC, UBCM, and several LGMA Chair/CAO forums. They have also engaged with Ministers from the Ministry of Municipal Affairs. Most recently, a panel session was held at UBCM in 2023 where attendees proposed the UBCM Executive create a working group to lead the initiative, conduct research and policy work, and develop a framework for potential *LGA* changes, and report back to the Ministry of Municipal Affairs. Attached as Appendix A is letter from the RDN Chair outlining the history of this initiative with a summary of the UBCM panel session.

Concerns with the *LGA* include the ways in which it is more restrictive than the powers given to municipalities in section 8 the *Community Charter*, which generally allow municipalities to regulate, prohibit and impose requirements by bylaw without provincial approval or establishing bylaws. Under the *LGA*, regional districts do not have jurisdiction for services such as business licensing (which in turn can impact efforts to regulate short term vacation rental accommodation), parking enforcement, subdivision approval, or regulation of the discharge of fireworks. The separation of funds by service, as mandated by the *LGA*, hampers the ability of regional districts to employ more flexible financial planning which would allow revenue generating services to offset requisition services. The *LGA* requirement to obtain participant or elector approval and approval of the Inspector of Municipalities prior to creating new services is administratively burdensome and hampers the ability of the Board to be nimble and respond quickly to community needs.

Legislative changes are not undertaken lightly by the Province and would likely take several years to affect. There have been minor incremental changes to the *LGA* over time which the Ministry seems to consider sufficient and it would be reluctant to undertake a comprehensive review without substantial feedback from local governments on the specific gaps and challenges in the current legislation. Advocacy from local governments will be key to encouraging the Province to support a review. Attached at Appendix B is a sample letter of support.

ALTERNATIVES

Alternative 1

The Governance Committee recommends to the Capital Regional District Board:

That the Board Chair write a letter of support for the *Local Government Act* Legislative Reform Initiative addressed to Minister Kang, with copies to UBCM President Mandewo and Chair Craig

of the Regional District of Nanaimo.

Alternative 2

The Governance Committee recommends to the Capital Regional District Board:
That staff continue to monitor the progress of this initiative and inform the Board if there is an opportunity to provide input in the future.

IMPLICATIONS

Alignment with Board & Corporate Priorities

The Board has endorsed Governance as a 2023-2026 priority with the commitment that it will support effective advocacy, coordinated and collaborative governance, and leadership in organization performance and service delivery.

A common adage is that local governments are “creatures of statute”, a statement that reflects the significance of the legislative framework in shaping how work is carried out by local governments. Legislative requirements are fundamental in our financial planning and budgeting processes. The restriction on business licensing powers is an issue that is of importance to the Electoral Areas and has been a subject of discussion in the past at Electoral Areas Committee. Ministry of Municipal Affairs approval requirements create delays and drive a significant amount of work in the areas of Financial, Legal and Legislative Services. A coordinated UBCM working group to explore the impacts and challenges of the current legislation would be a first step in defining whether CRD’s challenges are unique or held in common with other regional districts.

First Nations Implications

Since 2018, the Board has been committed to exploring new ways of decision-making with First Nations in the region. The legislative framework created by the *LGA* does not allow non-treaty First Nations to join regional boards. Beyond that specific restriction, other *LGA* requirements regarding the creation of new services and service participation, which in turn define who has power over decision-making on administration of those services, creates a system that excludes First Nation governments from having a recognized role in shaping or influencing operational decisions that occur within their traditional territory. While the Ministry is advancing the Inclusive Governance initiative to explore these issues, a more comprehensive review of the *LGA* in tandem with the Inclusive Governance initiative may be required to uncover all the structural barriers that exist to limit First Nations participation in local government decision-making frameworks.

CONCLUSION

CRD has been asked to support an initiative to create a UBCM working group to consider legislative reform of the *Local Government Act* to modernize the powers and tools that local governments can use to respond to the current social, political, and economic climate. Advocating for change to the *LGA* would in turn support the Board’s commitment to First Nation governments to explore new decision-making systems on their traditional territory.

RECOMMENDATION

The Governance Committee recommends to the Capital Regional District Board:
That the Board Chair write a letter of support for the *Local Government Act* Legislative Reform Initiative addressed to Minister Kang, with copies to UBCM President Mandewo and Chair Craig of the Regional District of Nanaimo.

Submitted by:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENT(S)

Appendix A: Letter from Chair Craig and summary of UBCM panel session
Appendix B: Sample Letter of Support