



October 20, 2020

Ref: 256405

Paula Kusack
Deputy Corporate Officer
City of Langley
20399 Douglas Cres
Langley BC V3A 4B3

Dear Paula Kusack:

Your correspondence regarding the City of Langley's request for emergency operating funding has been shared with me. As Deputy Minister responsible for local government, I am pleased to respond on the provincial government's behalf, and I apologize for the delay.

The provincial government recognizes the critical role of British Columbia's cities in providing core local services to residents and shares your concern that some local government revenue will be materially impacted by the COVID-19 pandemic. Over the past months, in regular provincial calls with locally elected leaders, I heard directly about the challenges local governments have faced in response to COVID-19 impacts, as well as hearing about their restart actions and ideas for recovery.

To help address this issue, the Ministry of Municipal Affairs and Housing has provided local governments with a number of tools to manage temporary cash flow issues, including allowing five-year borrowing (interest free) from reserves, reducing provincial school tax by \$720 million in 2020, delaying remittance of provincial property taxes until the end of 2020, and allowing local governments to carry operating borrowing for an additional year. I note that, according to the 2019 Audited Financial Statements, the City of Langley currently has gross financial assets in excess of \$80 million. Some of this money can be used to provide temporary liquidity until the COVID-19 pandemic is over.

In addition, ministry staff are communicating with local governments and surveyed them about the state of their finances, as impacted by the pandemic, as well as continuing to work directly with the Union of BC Municipalities, the Municipal Finance Authority of BC, and the Ministry of Finance.

The ministry is actively working on additional options to support local governments' economic recovery from the impacts of the COVID-19 pandemic. For example, on September 17, 2020, two programs were announced: Canada-B.C. Safe Restart Fund for Local Governments and the Community Economic Recovery Infrastructure Program (CERIP).

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Canada-B.C. Safe Restart Fund for Local Governments

Announced on September 17, 2020, this program will provide funding to local governments in response to increased operating costs and lower revenue due to COVID-19 and will ensure they can continue to deliver services in their communities. It includes \$540 million in federal/provincial funding through the Canada-B.C. Safe Restart Agreement and will be delivered in three streams:

- **Local Governments** – a direct formula-based allocation (\$425 million). Designed to address local government facility reopening and operating costs, emergency response costs, lost revenues and other COVID-19 related impacts.
- **Strengthening Communities** – application based (\$100 million). To support local governments in addressing the needs of local governments and vulnerable populations, the challenges posed in local communities by homelessness, and community concerns with street disorder and safety.
- **Development Services** – application based (\$15 million). To continue the work identified through the Development Approvals Process Review (DAPR) and support innovative local government efforts to improve the efficiency of development approval processes

The Local Governments stream will used adjusted per capita allocation, with a base methodology similar to past granting programs. The ministry will contact each local government regarding the amounts, to assist them with their budgeting processes, given their need to manage budget pressures this year and planning for 2021 budgets. The ministry's expectation is that the funds will flow as soon as possible after the election—hopefully by November but within this calendar year.

Details on the two application-based streams will be released later this year. For information on Canada-B.C. Safe Restart Fund for Local Governments, please see the last page of the StrongerBC backgrounders, available online at: https://news.gov.bc.ca/files/StrongerBC_BCs-Economic-Recovery_Backgrounders.pdf

Community Economic Recovery Infrastructure Program (CERIP)

As recently communicated to Chief Administrative Officers on October 1, 2020, this program includes up to \$90 million to support community economic resilience, tourism, heritage, and urban and rural economic development projects. The application intake is open October 1 to 29, 2020. There are four application-based streams to help B.C. communities' post-pandemic economic recovery:

- **Community Economic Resilience** supports initiatives through investment in short-term, small-scale public infrastructure, meeting the economic recovery objectives of initial job creation in the community and ancillary job creation in other areas hard-hit with COVID-19, such as local retail and services.
- **Destination Development** invests in the development, conservation, repair, or rehabilitation of new or existing tourism infrastructure and amenities to assist in the re-emergence and resiliency of the tourism sector, creating jobs that will provide long-term benefits for the tourism sector and local communities.

- **Unique Heritage Infrastructure** supports projects focused on the conservation, repair, rehabilitation and development of cultural heritage infrastructure to help communities safeguard and enjoy their heritage places, while creating employment through the stewardship of cultural heritage.
- **Rural Economic Recovery** improves the prosperity and quality of life in rural communities through projects that create jobs, develop economic infrastructure, support a vibrant local business sector, and accelerate economic recovery.

Program information, such as application instructions and links to resource documents, are available online at: <https://www2.gov.bc.ca/gov/content/economic-recovery/cerip>. In addition, Information regarding COVID-19 updates for local governments is available online at: <https://www2.gov.bc.ca/gov/content/governments/local-governments/governance-powers/covid-19>. Information on the federal/provincial Transit Restart Funding will be provided once it is available.

Thank you for writing.

Sincerely,



Kaye Krishna
Deputy Minister

pc: The Right Honourable Justin Trudeau, PC, MP, Prime Minister of Canada
Office of the Premier