

REGIONAL DISTRICT OF NANAIMO

**COMMITTEE OF THE WHOLE
TUESDAY, MAY 13, 2008**

**CIRCULATED REPORT
FOR AGENDA**

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DEVELOPMENT SERVICES

EMERGENCY PLANNING

2-6 District of Lantzville Emergency Management Service Agreement.

ENVIRONMENTAL SERVICES

LIQUID WASTE

7-9 Application for Development Cost Charge Reduction – Parksville Lions.



CAO APPROVAL <input checked="" type="checkbox"/>	
EAP	
COW	✓ May 13th
MAY 12 2008	
RMD	
BOARD	

MEMORANDUM

TO: Paul Thorkelsson
General Manager, Development Services

DATE: May 7, 2008

FROM: J. Thomas
Emergency Coordinator

FILE:

SUBJECT: District of Lantzville Emergency Planning Service Agreement

PURPOSE

To consider entering into a service agreement with the District of Lantzville for the provision of emergency planning services for the period extending from July 1, 2008 to December 31, 2009.

BACKGROUND

The District of Lantzville has asked the Regional District to consider entering into an agreement with the municipality to provide emergency planning services (see Attachment 1). Staff have met with the District of Lantzville to discuss service requirements and examine the level of service that can be provided by the Regional District without affecting current services. The District of Lantzville currently has a part-time appointed Emergency Coordinator and the service agreement will recognize the existence of that position.

District of Lantzville staff requested a modest level of service with the intent to develop their Emergency Program over time. A service agreement has been drawn up to reflect an appropriate service level that fits within the allocated budget (see Attachment 2). Section 176 (1)(b) and 837 of the *Local Government Act* provides for a Regional District to enter into an agreement with a municipality to provide a work or service that is within the powers of a municipality.

Pursuant to the service agreement, staff resources would be allocated to administer and provide the specified services to the District of Lantzville. A copy of the proposed service agreement is attached. In order to capture costs to provide service, staff have identified three components of cost sharing: operating costs, specialized program development costs, and start up costs which are described below.

Operational Cost Allocation:

The 2008 annual budget for Emergency Planning, which is shared by the seven Electoral Areas, is \$220,000. Within this budget, operating costs represent approximately \$178,230 of the overall budget after excluding capital costs for a generator for Electoral Area 'B' and a contribution of \$3,000 to the D69 ESS function. It is proposed that the District of Lantzville share proportionally in the overall operating cost for a fee of \$22,279 less an amount of \$5,000 which the municipality currently pays in the form of an honorarium to an in-house emergency coordinator. A breakdown of the proposed operational costs is shown in the following table:

	2008		2009
2008 Budget	\$ 220,000	2009 budget assumes 4% increase as shown in financial plan *	
Less:			
Generator	\$ (38,770)		
D69 ESS	\$ (3,000)		
	\$ 178,230		
1/8 allocation	\$ 22,279		
Less:			
Honorarium	\$ (5,000)		
	\$ 17,279		
July – Dec '08	\$ 8,639	Jan – Dec '09	\$ 17,970 *
		Direct Specific Service Costs (Jul 08 - Dec 09)	\$ 7,500
		Total Service Contract Cost	\$ 34,109

This fee represents the incremental cost for the Regional District Emergency Coordinator to provide a variety of basic emergency planning services to the District of Lantzville, including the coordination of training, facilitation of general emergency planning events, communication activities and assistance in the event of an emergency. The Regional District Emergency Coordinator will liaise with the District of Lantzville Emergency Coordinator to assist the municipality in capacity building for the development of their own customized program.

Specialized Emergency Program Development Cost Allocation:

The second component of the service agreement has been developed based on the specialized request of the District of Lantzville for assistance in developing the municipality's Emergency Program. The following table identifies the specific tasks and a cost estimate for each component, assuming an Emergency Coordinator \$50 hourly rate for time to be spent on those activities.

Start Up Tasks	Approximate Time Frame For Completion	Estimated Hours to Complete	Cost
Establish Emergency Coordinator Center	June – Dec. 31/08	15	\$ 750
Produce All Hazards Emergency Plan, Operational Guidelines & Reception Center Activation Plans	Dec. 31/09	20	\$ 1,000
Establish Reception Center	June – Dec. 31/08	15	\$ 7,500
Provincial & other grant coordination	Ongoing throughout contract	30	\$ 1,500
Training Coordination	Ongoing throughout contract term	20	\$ 1,000
Miscellaneous: (not a complete list) <ul style="list-style-type: none"> • Presentations to Council • Emergency Response • Recovery duties • Provide guidance to Emergency Coordinator • Establish public information protocol 	Ongoing throughout contract term	50	\$ 2,500
TOTAL		150	\$ 7,500

District of Lantzville Direct Cost Allocation:

The third component of the service agreement reflects the direct start-up costs that the District of Lantzville will incur to establish the foundations of its own Emergency Program. This information is provided as recommendations for the municipality on the materials and equipment that will need to be purchased as part of the program implementation.

Item	Purpose	\$ Cost Set of 8
ECC BCERMS vest from F.A.S.T. Ltd. www.fastlimited.com	To identify key positions in the activated ECC	\$ 200
ECC stationery & storage supplied	Required to operate key BCERMS positions	\$ 100
Reception Center supplies – complete kit from F.A.S.T.	To make Reception Centre functional	\$ 575
Reception Center interior signage - complete set from F.A.S.T.	To make Reception Centre functional	\$ 550
Reception Center exterior signage from F.A.S.T.	To identify the site as an Reception Centre when activated	\$ 45
Reception Center BCERMS vests from F.A.S.T	To identify key BCERMS positions in the Reception Centre	\$ 200
TOTAL		\$ 1,670

The above direct costs form part of the *total* service cost to the District of Lantzville which will be direct expenses and will not form part of the service contract with the RDN.

Specifics of the Emergency Program Service Provision:

Details of the program delivery model are provided in the following table. The table identifies specific tasks, the estimated timeframe to complete each component and the responsibilities of designated staff with both the RDN and the District of Lantzville.

Program Objectives	Regional District of Nanaimo Responsibilities	Estimated Time Frame	District of Lantzville Responsibilities
Operational readiness	Provide all required materials & equipment for ECC & Reception Centre locations	Dec. 31/08	Emerg. Coordinator to assist
	Exempt staff 'basic training'	Ongoing throughout contract term	Elected official – CAO, exempt staff & Emer. Coordinator to take training
	Develop all hazards – Emerg. Plan, Operational Guidelines & Reception Center plan	Dec. 31/08	Administrative support in document editing, copying, reproducing & distribution
		July 2008	Appoint RDN staff as Emergency Coordinator
	Establish Emer. Mgmt. Committee	Dec. 31/08	Provide administrative support
	Make ECC operational	Dec. 31/08	Provide access, staff participation in activation drills & plan for business

Program Objectives	Regional District of Nanaimo Responsibilities	Estimated Time Frame	District of Lantzville Responsibilities
			continuity during an emergency or disaster when the ECC is activated
	Prepare Dist. of Lantzville to make declarations, orders, Disaster Financial Assistance claims	June 2009	Staff & elected officials learn new processes
Training Coordination	Establish training matrix ('basic training' plus Regionally PEP sponsored courses)	On going throughout contract term	Staff participation in courses, exercises, ECC activation and phone call fan out drills
Grant Coordination	Utilize Provincial/Federal funding for training, planning & exercising	On going throughout contract term	Reports to Council

The Regional District of Nanaimo proposes an 18 month term extending from July 1, 2008 to December 31, 2009. The service agreement terms and conditions would be reviewed at the end of 2009 and both jurisdictions would at that point evaluate the success of the program and review options for the continuation of the agreement. Other aspects of the Emergency Program to consider in the future will include continued staff training, participation in grant programs, undergoing a Hazard Vulnerability Risk Analysis, public awareness, recruitment and development of Emergency Social Services (ESS), Neighbourhood Emergency Preparedness Program development and establishment of emergency communications.

ALTERNATIVES

1. Approve the Emergency Planning Service Agreement between the Regional District of Nanaimo and the District of Lantzville as presented;
2. Recommend amendments to the Agreement and direct staff to negotiate these amendments with the District of Lantzville;
3. Do not enter into a service agreement for Emergency Planning with the District of Lantzville at this time.

FINANCIAL IMPLICATIONS

If the Board approves the Service Agreement as presented, the Regional District of Nanaimo will receive a total contract amount of \$34,109, with \$12,389 applied in 2008 for a partial year of service and \$21,720 in 2009 representing a full year of participation in the program. The RDN Emergency Program will be impacted by providing general emergency program services to the District of Lantzville at the same level as currently provided to other participants in the function (less those provided by Lantzville's in-house coordinator) and, in addition, will be re-directing 150 hours of staff time (\$7,500) to assist in the development of a municipal emergency program for the District of Lantzville. While this is a significant consideration, the benefits of strengthening a mutual aid partner's emergency response and recovery capability will be of benefit to the RDN in the long term.

CONCLUSIONS

The District of Lantzville has approached the Regional District and asked if it would consider assisting in the development and provision of emergency planning services for the municipality. As authorized under

the *Local Government Act*, the Regional District of Nanaimo is proposing to enter into a service agreement with the District of Lantzville with a term extending from July 1, 2008 to December 31, 2009. The agreement will enable the District of Lantzville to establish its own emergency program while also participating in the broader Regional District emergency program.

This agreement will also build upon the existing capacity of emergency response and recovery capability for the District of Lantzville and contributes to overall resiliency as a region. The agreement will allow for increased efficiencies in training/exercises, operations and stakeholder liaison and is not expected to negatively impact the current service being provided within the Regional District. It is recommended that the proposed agreement providing Emergency Planning service to the District of Lantzville be approved.

RECOMMENDATION

That the Emergency Planning Service Agreement between the Regional District of Nanaimo and the District of Lantzville for Emergency Planning be approved.

For

Report Writer

General Manager Concurrence

CAO Concurrence



CAQ APPROVAL		COW
EAP		
COW	✓	May 13th
MAY 12 2008		
RHD		
BOARD		

MEMORANDUM

TO: Sean De Pol
Manager of Liquid Waste

DATE: April 30, 2008

FROM: Nadine Schwager
Liquid Waste Coordinator

FILE: 3150-10

SUBJECT: Parksville Lions Application for Development Cost Charge Exemption

PURPOSE

To consider an exemption of the RDN's Northern Community Sewer Service Area Development Cost Charges (DCCs) for the Parksville Lions supportive living housing development to be expanded at 205 East Jensen Avenue, Parksville, BC.

BACKGROUND

On March 25, 2008, the Parksville Lions Housing Society made a presentation to the RDN Board requesting a 100% exemption from all RDN Development Cost Charges associated with the expansion of their supportive living housing development at 205 East Jensen Avenue, Parksville, BC. The only RDN DCCs applicable to this project are Northern Community Sewer Service Area DCCs. The Parksville Lions Housing Society is looking to expand the existing 6 units to a possible 36 units. The City of Parksville provided information that the project is proposing to provide 1915.8 m² of gross floor area.

On April 21, 2008, the City of Parksville Council made a motion to waive 100% of all Parksville Development Cost Charges for this development. The Regional District does not currently have any policies in place for the exemption of DCCs for non-for-profit housing. However, the RDN has provided 50% exemptions in the past within the City of Nanaimo for similar projects based on the City of Nanaimo's DCC policy for not-for-profit rental housing.

New Provincial legislation (Bill 27) and the Local Government Act give local governments the ability to exempt DCCs for not-for-profit rental housing. The Local Governmental Act currently states "...a local government may provide assistance by waiving or reducing a charge under this section for not-for-profit rental housing, including supportive living housing." The Act does not provide any further direction with regard to a source of funding for these waived or reduced charges. As the Board is aware, when an exemption is made to a development category, the "lost" revenue in that category must be reallocated from another source. This can be achieved through increasing DCCs to other development categories, such as single family, multi-family, commercial, industrial, etc. or by making up the difference across the existing taxpayer base.

ALTERNATIVES

1. Grant a 100% exemption of the estimated Northern Community Sewer DCCs for the Parksville Lions supportive living housing development at 205 East Jensen Avenue, Parksville, BC.
2. Grant a 50% exemption of the Northern Community Sewer DCCs.
3. Do not grant an exemption from wastewater servicing DCCs.

FINANCIAL IMPLICATIONS

Alternative 1

The RDN is in the process of revising wastewater treatment DCC rates set out in the current Bylaw No. 1442. Based on the proposed new DCC rates a 100% exemption would result in waiving an estimated \$198,113 in DCCs. Staff tested the proposed DCC rates under a 100% exemption. The multi-family rate would rise from \$103.41 to \$103.90 per square metre. All of the other rate categories would also rise slightly – by the same 0.5%. However, providing the Parksville Lions with an exemption would create a precedent which is likely to result in further requests of this kind with a consequence of further increases to the DCC rates.

A total of \$45 million in DCC projects is expected in the Northern Community over the next six years. This represents a significant capital plan for increasing the capacity of our facilities. The capital plan is financed by DCCs collected from Parksville, Qualicum Beach and Regional District sewer service areas in Electoral Areas E (Pacific Shores) and G (French Creek, Barclay Crescent and Surfside).

Exemptions in DCC revenue require that the funding for additional capacity come from elsewhere.

Alternative 2

A 50% exemption would result in a waiver of approximately \$99,056 in DCCs based on the proposed new DCC rates.

Alternative 3

While there are examples of other municipalities reducing or waiving DCCs, staff do not recommend an exemption in DCC rates at this time. Reducing or waiving the amount of DCCs payable ultimately results in either a higher DCC rate for the remaining development units as illustrated above or the value is transferred by default to the existing taxpayer base. A local government is required to consider whether its DCC rates will deter development. The wastewater treatment DCC rate has risen from \$2,765 per unit (based on a 70 m² unit) in 2003 to a proposed rate of \$7,205 in 2008. Most organizations undertaking affordable or seniors housing projects are able to apply to senior levels of government for funding.

The Regional District has waived DCCs for the Southern Community Treatment plant in the past. At that time, only the City of Nanaimo contributed to the plant. Today, with the District of Lantzville also connected a waiver is less straight forward. As noted above a waiver for the Parksville Lions Housing Society affects multiple jurisdictions. Staff recommends developing a policy to help manage future requests for waivers of development cost charges in a consistent and equitable manner.

SUMMARY/CONCLUSIONS

The Parksville Lions Housing Society has applied to the Regional District for a waiver of the Northern Community Sewer Service Area DCCs associated with its proposal to expand its supportive living housing development at 205 East Jensen Avenue, Parksville, BC. The value of a full exemption is estimated at \$198,113.

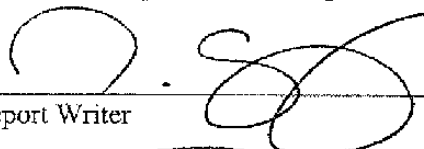
If an exemption is provide to not-for-profit housing, the "lost" revenue will be reflected in higher DCC rates or must be raised from the existing taxpayer base.

Staff estimate that in this case the proposed DCC rates would rise by 0.5% to account for the lost revenue and that additional interest in the amount of \$237,735 would by paid over a twenty year period as a result of borrowing for this adjustment. In addition providing the Parksville Lions with an exemption would create a precedent which is likely to result in further requests of this kind with a consequence of further increases to the DCC rates.

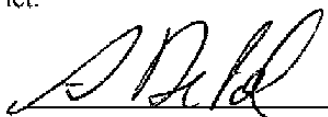
One of the most difficult aspects of this request is the equity among taxpayers. While many properties in District 69 are not directly or significantly impacted by this exemption request, it has the affect of addressing a broader social policy across a small subset of Regional District taxpayers. Staff do not recommend an exemption.

RECOMMENDATION

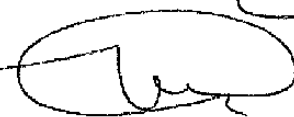
1. That the request to exempt the Northern Community Sewer Service Development Cost Charges with respect to the redevelopment of the Parksville Lions supportive living housing development at 205 East Jensen Avenue, Parksville, BC be denied.
2. That staff be directed to develop a policy to respond to future requests for waivers of development cost charges in the Regional District.



Report Writer

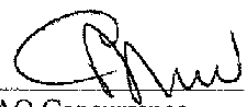


Manager Concurrence



General Manager Concurrence

Alan



CAO Concurrence

COMMENTS: