

**REGIONAL DISTRICT OF NANAIMO**

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

**A D D E N D U M**

**PAGES**

***FINANCE & INFORMATION SERVICES***

**FINANCE**

2-6                    Regional Growth Management Service Establishing Bylaw No. 1553.

***ENVIRONMENTAL SERVICES***

**LIQUID WASTE**

7-10                    French Creek Sewer Local Service Area Amendment Bylaw No. 813.43 & Northern  
Community Sewer Service Area Boundary Amendment Bylaw no. 889.49 –  
Inclusion of 537 Johnstone Road – Area ‘G’.



CAO APPROVAL	
EAP	
COW	✓ May 13th
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BOARD	

MEMORANDUM

**TO:** Carol Mason  
Chief Administrative Officer

**DATE:** May 8, 2008

**FROM:** Nancy Avery  
General Manager, Finance & Information Services

**FILE:**

**SUBJECT:** Regional Growth Strategy Function – Participation by Electoral Area ‘B’

PURPOSE

To consider the participation of Electoral Area ‘B’ in the Regional Growth Strategy function.

BACKGROUND

The Regional Growth Strategy was initiated in the early 1990’s. All member jurisdictions participated in the service until changes to the *Islands Trust Act* made it clear that a regional growth strategy would not apply to the Trust Area. In 2003 Electoral Area ‘B’ was formally removed by resolution from the service.

Since 2003 the Regional Growth Strategy service has engaged citizens and Board members in a broad discussion and analysis of ways in which the Regional District can become more sustainable. The following list of activities has benefited all member jurisdictions:

- State of Sustainability Project report – “Prospering Today Protecting Tomorrow Recommendations For a Sustainable Future”
- Creation and hiring of a Sustainability Coordinator – funded 50% by Regional Growth/50% by Community Planning
- Introduction of Sustainable Futures Award program (January 2008)
- Establishment of Sustainable Communities & Climate Change Committee
- Green Buildings Action Plan

Today and into the future, activities and studies related to sustainability, green buildings and climate change will benefit all member jurisdictions and staff suggest that it would be appropriate for Electoral Area ‘B’ to be re-instated as a partial participant. The *Islands Trust* will also benefit by our cooperative sharing of information relevant to sustainable development. The *Local Government Act* now requires the adoption of an establishing bylaw for this type of service and Bylaw No. 1553 is attached for this purpose – the changes would be effective for the 2009 taxation year.

ALTERNATIVES

1. Include Electoral Area ‘B’ in the Regional Growth Strategy function, participating at 50% in the service. Apportion the costs to participants on the basis of 50% population/50% assessments.
2. Make no changes at this time.

**FINANCIAL IMPLICATIONS**

Alternative 1

Under this alternative, beginning in 2009, Electoral Area 'B' would participate in 50% of the annual requisition. The requisition for each participant would be calculated using a formula of 50% assessments and 50% population. The rationale for using a combination of population & assessment to allocate the costs is that the service responds to the effects of both population growth and land use issues.

Based on the 2008 requisition Electoral Area 'B' would contribute an amount of \$6,525 at a rate of \$.50 cents per \$100,000. This change would become effective for the 2009 budget year. The table below illustrates the change to all participants with the addition of Electoral Area 'B' as if the change had been applied in 2008.


Member	2008 Participation (all assessments)	EA 'B' Partial Participation (50% assessment/50% population)
Nanaimo	185,710	191,950
Parksville	32,095	29,820
Qualicum Beach	26,055	23,665
Lantzville	10,065	9,630
Electoral Area A	14,050	15,905
Electoral Area B	0	6,525
Electoral Area C	11,490	9,200
Electoral Area E	23,550	18,780
Electoral Area F	15,010	15,925
Electoral Area G	19,670	18,640
Electoral Area H	13,540	11,195
	351,235	351,235


**SUMMARY/CONCLUSIONS**

In 2003, Electoral Area 'B' was removed as a participant in the funding of the Regional Growth Strategy because legislation identifies the Islands Trust as the primary planning agency for the Trust Area. Since 2003 and into the future, the service will engage in activities and studies related to sustainability, green buildings and climate change providing information relevant to Electoral Area 'B' and the Islands Trust. Staff suggest that it would be appropriate for Electoral Area 'B' to participate in 50% of the overall requisition for the service. Bylaw No. 1553 establishes a service for the coordination, research and analytical services relating to the development of the regional district, includes all members as participants and allocates annual costs as 50% to all participants and 50% to all participants excluding Electoral Area 'B' using a formula of 50% assessments and 50% population. The financial implications of this change in participants will apply beginning in 2009.

**RECOMMENDATION**

That "Regional Growth Strategy Service Establishing Bylaw No. 1553, 2008" be introduced and read three times and be forwarded to the Ministry of Community Services for approval.

  
Report writer

  
CAO Concurrence

**COMMENTS:**

**REGIONAL DISTRICT OF NANAIMO**

**BYLAW NO. 1553**

**A BYLAW TO ESTABLISH THE SERVICE OF  
REGIONAL GROWTH MANAGEMENT**

WHEREAS under section 796 of the *Local Government Act*, a regional district may, by bylaw, establish and operate any service the Board considers necessary or desirable for all or part of the Regional District;

AND WHEREAS the Board of the Regional District of Nanaimo wishes to establish a service pursuant to section 800.1(2)(b) of the *Local Government Act* for the purpose of coordination, research and analytical services relating to the development of the regional district;

AND WHEREAS the approval of the municipal participating areas has been obtained under section 801.4 of the *Local Government Act*;

AND WHEREAS the approval of the electoral participating areas has been obtained under section 801.5(b) of the *Local Government Act*;

AND WHEREAS the approval of the Inspector of Municipalities has been obtained under section 801 of the *Local Government Act*;

NOW THEREFORE, the Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

1. **Service**

The service being established and to be operated is the service of coordination, research and analytical services relating to the development of the regional district (the "Service").

2. **Service Area Boundaries**

The boundaries of the Service Area are coterminous with the boundaries of the Regional District of Nanaimo (the "Service Area").

3. **Participating Areas**

The municipalities of Nanaimo, Lantzville, Parksville and Qualicum Beach and Electoral Areas 'A', 'B', 'C', 'E', 'F', 'G' and 'H' are the "Participating Areas" for the Service.

4. **Cost Recovery**

As provided in section 803 of the *Local Government Act*, the annual cost of providing this service shall be recovered by one or more of the following:

- (a) property value taxes imposed in accordance with Division 4.3 of Part 24 of the *Local Government Act*;

- (b) fees and charges imposed under section 363 of the *Local Government Act*;
- (c) revenues raised by other means authorized under this or another Act;
- (d) revenues received by way of agreement, enterprise, gift, grant or otherwise.

5. **Apportionment**

The costs shall be apportioned among the participating areas on the basis of:

- (a) 50% of the annual costs shall be apportioned among all participants, with 50% of the amount apportioned to each participant pro-rata using the converted values for land and improvements in the Service area and 50% of the amount apportioned to each participant pro-rata on the basis of the most recent census population for each participant in the Service area;
- (b) 50% shall be allocated among all participants excluding Electoral Area 'B', with 50% of the amount apportioned to each participant pro-rata using the converted values for land and improvements in the Service area and 50% of the amount apportioned to each participant pro-rata on the basis of the most recent census population for each participant in the Service area.

6. **Maximum Requisition**

The maximum amount that may be requisitioned for the cost of the Service is the greater of:

- (a) Three Hundred and Fifty Five Thousand (\$355,000.00) Dollars, or
- (b) The value obtained by applying a rate of \$0.015 per thousand dollars to the net taxable value of land and improvements in the Service Area.

7. **Citation**

This bylaw may be cited for all purposes as the "Regional Growth Management Service Establishment Bylaw No. 1553, 2008".

Introduced and read three times this 27th day of May, 2008.

Received the approval of the Inspector of Municipalities this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
CHAIRPERSON

\_\_\_\_\_  
SR. MGR., CORPORATE ADMINISTRATION



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MEMORANDUM

**TO:** Mike Donnelly, ASCT  
Manager of Utilities

**DATE:** April 25, 2008

**FROM:** Deb Churko, ASCT  
Engineering Technologist

**FILE:** 5500-20-FC-01

**SUBJECT:** Inclusion of Property into the French Creek and Northern Community Sewer Local Service Areas (537 Johnstone Road), Electoral Area G

PURPOSE

To consider a boundary amendment regarding the inclusion of Lot 13, DL 49, Nanoose Land District, Plan 20609 (537 Johnstone Road), into the French Creek Sewer and Northern Community Sewer Local Service Areas (see attached plan).

BACKGROUND

During routine smoke-testing of sanitary sewers in 2007, the RDN Utilities staff discovered that the property located at 537 Johnstone Road has a connection to the sanitary sewers for which there is no record of installation. Staff believe that the un-authorized connection was installed possibly 9-10 years ago, and before the current owners purchased the home and property.

As this property was connected without a permit no property taxes or user fees for sewer service have been collected. At the time of the un-authorized connection there were no capital charges in this area. In 2003 capital charges for both the French Creek Sewer Local Service Area and the Northern Community Sewer Local Service Area were established.

Staff initially informed the owners that since they were not the property owners at the time the un-authorized connection was made, and as there were no capital charges in place when they purchased the home, that there would be no capital charges attributed to them. However, waiving capital charges may only be authorized by the Board as the applicable capital charge bylaws require that any new property brought into the service area must pay capital charges at that time. Staff indicated the property owners would be responsible for the normal user fees and annual parcel tax beginning in 2008.

In order to assess the subject property for sewer taxes, update the local service area map and collect capital charges staff are proposing to amend the boundaries of the French Creek Sewer Local Service Area Bylaw No. 813, 1990 as well as the Northern Community Sewer Service Area Bylaw No. 889, 1993, to include this property.

**ALTERNATIVES**

1. Amend the sewer service area boundary to include 537 Johnstone Road in the French Creek and Northern Community Sewer Local Service Areas, require the owners to pay the associated capital fees and impose property and user rate charges beginning in 2008.
2. Amend the sewer service area boundary to include 537 Johnstone Road in the French Creek and Northern Community Sewer Local Service Areas and impose property and user rate charges beginning in 2008. Do not require the payment of capital charges.

**FINANCIAL IMPLICATIONS**

**Alternative 1** includes the requirement that the property owner pay the capital charges for the two service areas plus tax and user rates for the property commencing in 2008. This would result in a one time charge in 2008 for capital charges, parcel taxes and user fees of:

FCSLSA	\$626.00
NCSSA	\$1,795.00
2008 Parcel Tax	\$198.89
2008 User Fee	<u>\$155.40</u>
<b>Total</b>	<b>\$2,775.29</b>

**Alternative 2** would require the property to be assessed sewer taxes and user fees only starting in 2008. The Capital Charges normally payable at the time of inclusion would be waived on the basis that the sewer connection was made prior to the establishment of Capital Charges in 2003. However, pursuant to Bylaws 1330 and 1331 capital charges are payable when properties are brought into the service area, and not when unauthorized connections occur. Therefore the Board would have to waive the Bylaw requirement under this alternative.

Waiving the Bylaw requirements would result in lost capital charge income for both the French Creek and Northern Community Sewer Local Service Areas of \$626.00 and \$1,795.00 respectively. Under this option the property would be included with only 2008 property tax and user fees (\$198.89+\$155.40) totaling \$354.29 being collected.

**DEVELOPMENT IMPLICATIONS**

The subject property is located within the Urban Containment Boundary of the Regional Growth Strategy (RGS), and is located within the engineered sewer catchment area for the French Creek Pollution Control Centre. The property is zoned Residential RS1-Q pursuant to *Regional District of Nanaimo Land Use and Subdivision Bylaw No. 500, 1987*. The "Q" subdivision district provides a minimum parcel size of 700 m<sup>2</sup> when the property is serviced with community sewer. The subject property is 2,833 m<sup>2</sup> in size, therefore subdivision of the property would be possible under the current zoning.



**INTERDEPARTMENTAL IMPLICATIONS**

The subject property is located within the "Neighbourhood Residential" land use designation pursuant to the *French Creek Official Community Plan (OCP) Bylaw No. 1115, 1998*. The long-term strategy for the French Creek Plan Area is to have all urban areas fully serviced by community sewer. The Development Services Department has no objections to the bylaw amendments proposed in this report.


**SUMMARY/CONCLUSIONS**


The RDN Utilities staff discovered an un-authorized sewer connection at 537 Johnstone Road. Staff recommend that the boundaries of the French Creek and Northern Community Sewer Local Service Areas be amended to include the subject property for taxation purposes, the payment of service area capital charges and to keep the service area maps up to date.

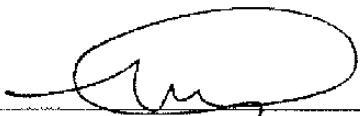
The subject property is located within the Urban Containment Boundary, and within the engineered sewer catchment area for the French Creek Pollution Control Centre. The French Creek OCP supports the connection of urban properties to community sewer. If the application is not approved, the owners will not be assessed taxes for sewage collection and disposal.


**RECOMMENDATIONS**

1. That capital charge fees as outlined in "French Creek Sewer Local Service Area Capital Charge Bylaw No. 1330, 2003" be collected from the owners of the property at 537 Johnstone Road.
2. That capital charge fees as outlined in "Northern Community Sewer Local Service Area Capital Charge Bylaw No. 1331, 2003" be collected from the owners of the property at 537 Johnstone Road.
3. That "French Creek Sewer Local Service Area Amendment Bylaw No. 813.43, 2008" be introduced and read three times.
4. That "Northern Community Sewer Service Area Boundary Amendment Bylaw No. 889.49, 2008" be introduced and read three times.

  
\_\_\_\_\_  
Report Writer

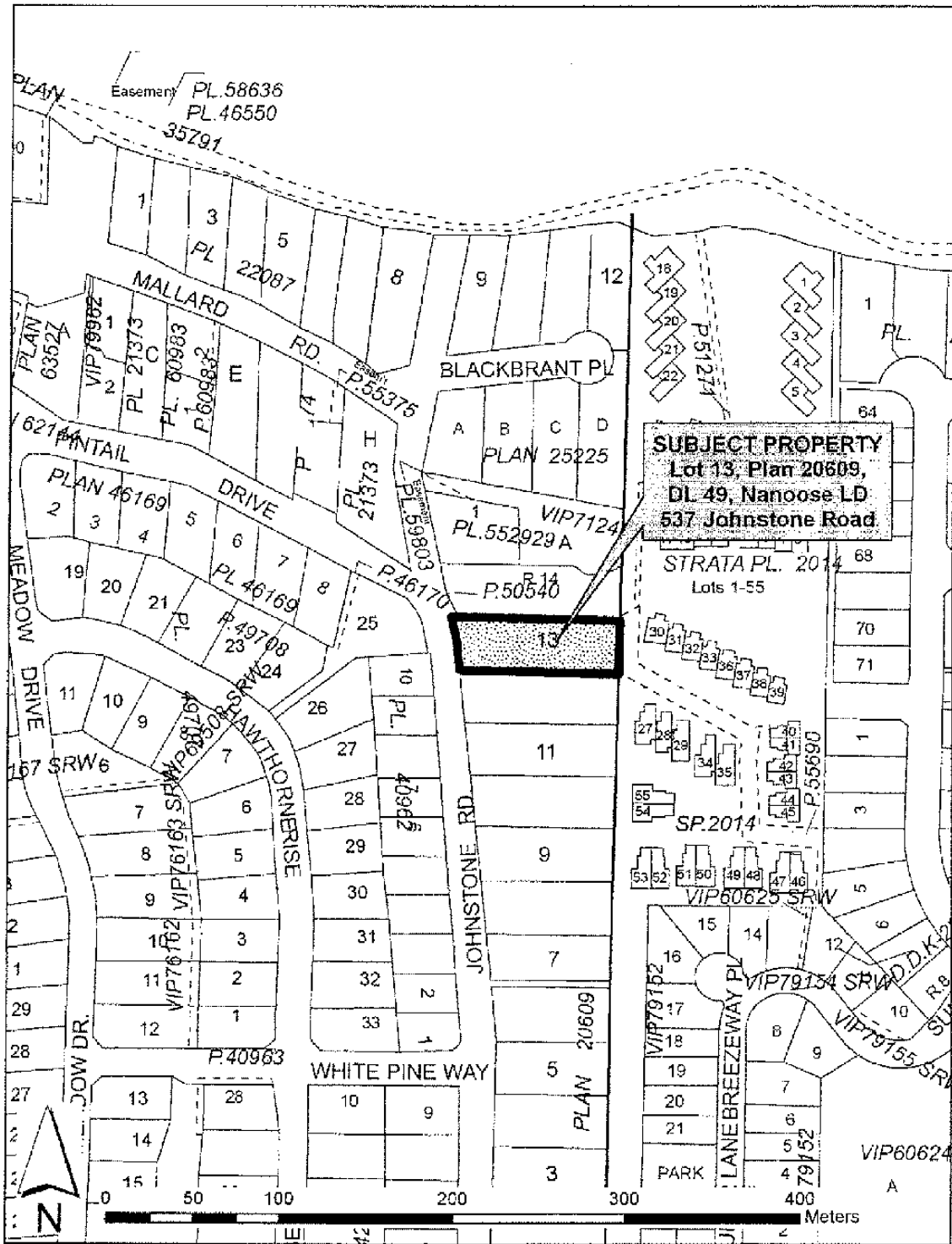
  
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Manager Concurrence

 A/cw  
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General Manager Concurrence

  
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CAO Concurrence

COMMENTS:

Figure 1 - Site Location Plan



BCCGS MAPS-SHEET NO. 92F-039.1.3