



REGULAR MEETING OF COUNCIL

AGENDA

DATE: Monday, June 4, 2018
TIME: 4:30 p.m.
LOCATION: Council Chambers, Enderby City Hall

1. **APPROVAL OF AGENDA**
2. **ADOPTION OF MINUTES**

[Regular Meeting Minutes of May 22, 2018](#) pg 3-5
3. **PUBLIC AND STATUTORY HEARINGS**
4. **PETITIONS AND DELEGATIONS**

[Steve Jenkins, Telus](#) pg 6
Re: Presentation on Telus Initiatives
5. **DEVELOPMENT MATTERS**
6. **BUSINESS ARISING FROM THE MINUTES AND/OR UNFINISHED BUSINESS**
7. **BYLAWS**
8. **REPORTS**

[Mayor and Council](#)
9. **NEW BUSINESS**
 - a. [Vernon Search and Rescue Service Loan Authorization](#) – Memo from Chief Administrative Officer dated May 27, 2018 pg 7-38
 - b. [Regional Conservation Fund Service Establishment](#) – Memo from Chief Administrative Officer dated May 27, 2018 pg 39-68
 - c. [Regulatory Framework for Non-Medical Cannabis](#) – Memo from Chief Administrative Officer dated May 30, 2018 pg 69-76
 - d. [Enderby and District Lions Club – Request for Beer Garden](#) – Correspondence dated May 30, 2018 pg 77
10. **PUBLIC QUESTION PERIOD**

11. CLOSED MEETING RESOLUTION

Closed to the public, pursuant to Section 90 (1) (f) and 90 (2) (d) of the *Community Charter*

12. ADJOURNMENT

THE CORPORATION OF THE CITY OF ENDERBY

Minutes of a **Regular Meeting** of Council held on Tuesday, May 22, 2018 at 4:30 p.m. in the Council Chambers of City Hall

Present: Mayor Greg McCune
Councillor Tundra Baird
Councillor Brad Case
Councillor Roxanne Davyduke
Councillor Raquel Knust
Councillor Brian Schreiner

Chief Administrative Officer – Tate Bengtson
Planner and Deputy Corporate Officer – Kurt Inglis
Recording Secretary – Bettyann Kennedy
The Press and Public

APPROVAL OF AGENDA

Moved by Councillor Baird, seconded by Councillor Schreiner that the agenda be approved as circulated.

Carried

ADOPTION OF MINUTES

Regular Meeting Minutes of May 7, 2018

It was noted that the person who moved the budget motion regarding “on-leash dog area” should be Councillor Shishido, not Councillor Schreiner.

Moved by Councillor Schreiner, seconded by Councillor Case that the minutes of the regular meeting of May 7, 2018 be adopted as amended.

Carried

Special Meeting Minutes of May 10, 2018

Moved by Councillor Schreiner, seconded by Councillor Case that the minutes of the special meeting of May 10, 2018 be adopted as circulated.

Carried

PETITIONS AND DELEGATIONS

James Demens, Regional Transportation Planner – Ministry of Transportation and Infrastructure

Re: Highway 97A Data Collection Summary

Mr. Demens presented the data that was collected in the summer of 2017 on traffic flows through Enderby. Traffic volumes are expected to continue to grow. The next steps involves engaging a consultant, communicating the strategy, conducting a short count for the Canyon Road intersection, creating a current and future needs assessment, and developing a concept design. The study will take 2 years and will include public and stakeholder consultation.

BYLAWS

Development Cost Charges Bylaw No. 1646, 2018

A bylaw to impose development cost charges

Moved by Councillor Case, seconded by Councillor Baird that Development Cost Charges Bylaw No. 1646, 2018 be adopted.

Carried

REPORTS

Councillor Case

There were discussions as to whether Enderby should consider investigating the regulatory requirements of establishing a golf cart bylaw similar to that in place in Chase. It was the consensus that this not be pursued at this time.

Building Permit Detail Report – April 2018

Moved by Councillor Baird, seconded by Councillor Schreiner that the report be received and filed.

Carried

2017 Climate Action Revenue Incentive Program Public Report

Moved by Councillor Baird, seconded by Councillor Knust that the report be received and filed.

Carried

PUBLIC QUESTION PERIOD

None

CLOSED MEETING RESOLUTION

Moved by Councillor Case, seconded by Councillor Schreiner that, pursuant to Section 92 of the *Community Charter*, the regular meeting convene In-Camera to deal with matters deemed closed to the public in accordance with Section 90 (1) (d), (e), (g), and (k) of the *Community Charter*.

Carried

ADJOURNMENT

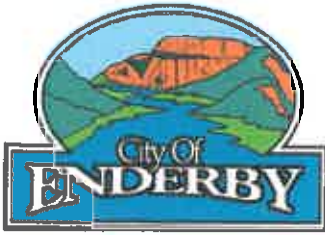
The regular meeting reconvened at 6:45 p.m.

Moved by Councillor Knust, seconded by Councillor Baird that the regular meeting adjourn at 6:45 p.m.

Carried

MAYOR

CHIEF ADMINISTRATIVE OFFICER



REQUEST TO APPEAR AS A DELEGATION

On 4 June 2018
Day Month Year

Date of Request May 11/2018

Name of Person Making Request Steve Jenkins

Name and Title of Presenter(s) Telus

Contact Information _____

Details of Presentation _____

Desired Action from Council (check all that apply)

- Information Only
- Proclamation
- Funding Request
- Road Closure
- Policy or Resolution

Please describe desired action in detail Presentation on

Telus initiatives

Please attach any supporting documentation or presentation materials related to your delegation request.

Agenda

THE CORPORATION OF THE CITY OF ENDERBY

MEMO

To: Mayor and Council
From: Tate Bengtson, CAO
Date: May 27, 2018
Subject: Vernon Search and Rescue Service Loan Authorization

RECOMMENDATION

THAT Council receives and files the attached memorandum from the Regional District of North Okanagan entitled "Vernon Search and Rescue – Service Establishment and Loan Authorization Bylaws";

AND THAT Council supports the Regional District of North Okanagan's intent to proceed with an area-wide Alternative Approval Process to determine if there is elector support for the Board to adopt Bylaws 2778 and 2779 dealing with Vernon Search and Rescue Service Establishment and Service Loan Authorization, respectively.

BACKGROUND

Vernon Search and Rescue (VSAR), which services the region including Enderby, has been operating in a building constructed next to the RDNO offices in Coldstream since 1994. VSAR's growth has necessitated a larger building and, as the attached memorandum explains, constructing an addition to the existing building is apparently not feasible. Given the site challenges, VSAR has indicated that a new location appears to be the only feasible option.

VSAR has requested that RDNO proceed with a loan authorization bylaw to make its property acquisition efforts viable. The costs are estimated at up to \$1 million for land and up to \$2.5 million for the building. Assuming an interest rate of 3.25% on a 20-year loan, the impact to the City of Enderby would be a \$5,730 increase to its annual requisition.

RDNO has referred the attached memorandum and bylaws for comment by member jurisdictions prior to seeking the approval of the Inspector of Municipalities to proceed with obtaining elector assent to borrow the necessary funds.

Respectfully submitted,


Tate Bengtson
Chief Administrative Officer

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REGIONAL DISTRICT NORTH OKANAGAN

MEMBER MUNICIPALITIES:

CITY OF ARMSTRONG

CITY OF ENDERBY

DISTRICT OF COLDSTREAM

VILLAGE OF LUMBY

CITY OF VERNON

TOWNSHIP OF SPALLUMCHEEN

ELECTORAL AREAS:

"B" – SWAN LAKE

"C" – BX DISTRICT

"D" – LUMBY (RURAL)

"E" – CHERRYVILLE

"F" – ENDERBY (RURAL)

OFFICE OF: CORPORATE SERVICES

OUR FILE No.: 3900.2778

May 22, 2018

Tate Bengtson
Chief Administrative Officer
619 Cliff Avenue, PO Box 400
Enderby B.C. V0E 1V0

Dear Tate Bengtson:

**Re: Bylaw 2778 - Vernon Search and Rescue - Service Establishment
Bylaw 2779 - Vernon Search and Rescue - Service Loan Authorization**

At the regular meeting of the Board of Directors held on May 16, 2018, the Board gave 3 readings to the above-noted bylaws and resolved that they be forwarded to the Inspector of Municipalities for approval and to member municipalities and the Electoral Areas Directors for information and comment. Following confirmation of approval by the Inspector, and consideration of comments received from member municipalities and the Electoral Areas, the Regional District will then be in a position to undertake an area wide Alternative Approval Process (AAP) to determine if there is elector support for the Board to adopt the above-noted bylaws. Rationale to support an area wide AAP process is provided in the report attached.

We respectfully request that the attached information be provided to your Council for consideration and comment back at your earliest convenience. If you require any further information, please do not hesitate to contact the undersigned at 250-550-3708 or paddy.juniper@rdno.ca

Yours truly;

Paddy Juniper
Corporate Officer

cc: Vernon Search and Rescue
David Sewell, Chief Administrative Officer

Enc. *Extract of the May 16, 2018 Board of Directors Meeting
Vernon Search and Rescue Service Establishment Bylaw No. 2778, 2018 (as at 3rd Reading); and
Vernon Search and Rescue Service Loan Authorization Bylaw No. 2779, 2018 (as at 3rd Reading); and
Staff Report dated April 28, 2018
Background information provided by Vernon Search and Rescue*

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REGIONAL DISTRICT OF NORTH OKANAGAN

Extract from the Minutes of a Meeting of the

Board of Directors

Held on

Wednesday, May 16, 2018

Bylaw 2778 - Vernon Search and Rescue - Service Establishment
Bylaw 2779 - Vernon Search and Rescue - Service Loan Authorization

That staff be directed to forward the report entitled 'Vernon Search and Rescue – Service Establishment and Loan Authorization Bylaws' dated April 28, 2018 to member municipalities and the Electoral Area Directors for information.

That, following receipt of comments from member municipalities and the Electoral Area Directors, staff be directed to undertake an alternative approval process of the entire proposed service area being the City of Armstrong, District of Coldstream, City of Enderby, Village of Lumby, Township of Spallumcheen, City of Vernon and Electoral Areas "B", "C", "D", "E" and "F" of the Regional District of North Okanagan pursuant to section 342(4) of the *Local Government Act* to determine the opinion of the electors with regard to adopting the following bylaws:

1. *Vernon Search and Rescue Service Establishment Bylaw No. 2778, 2018;*
and
2. *Vernon Search and Rescue Service Loan Authorization Bylaw No. 2779, 2018*

to establish a service and adopt a loan authorization bylaw of up to \$3.5 million dollars to facilitate the cost of buying real property and constructing a building, which would be owned by the Regional District of North Okanagan, to serve the Vernon Search and Rescue Service within the Regional District of North Okanagan.

That *Vernon Search and Rescue Service Establishment Bylaw No. 2778, 2018* be given First, Second and Third Readings and forwarded to the Inspector of Municipalities for approval.

That *Vernon Search and Rescue Service Loan Authorization Bylaw No. 2779, 2018* be given First, Second and Third Readings and forwarded to the Inspector of Municipalities for approval.

I hereby certify the foregoing to be a true and correct copy of a resolution passed by the Board of Directors at its meeting held May 16th, 2018.

Dated at Coldstream, BC this 22nd day of May, 2018.



Paddy Juniper
Corporate Officer

REGIONAL DISTRICT OF NORTH OKANAGAN

BYLAW No. 2778

A bylaw to establish a service for the purpose of facilitating the cost of buying real property and constructing a building to serve the Vernon Search and Rescue Service within the Regional District of North Okanagan

WHEREAS the *Local Government Act (Act)* provides that the Board of the Regional District of North Okanagan may, by bylaw, establish and operate any service that the Board considers necessary or desirable for all or part of the regional district;

AND WHEREAS the Regional District of North Okanagan wishes to acquire real property and facilitate the construction and/or modification of a building to service the Vernon Search and Rescue Service within the Regional District of North Okanagan;

AND WHEREAS the Board has, by resolution, determined that participating area approval is to be obtained for the entire service area and the approval process shall be by Alternative Approval Process in accordance with subsections 342(2)(b), 342(4) and 345(1)(a) of the *Act*;

AND WHEREAS pursuant to Section 348(1) of the *Local Government Act*, if money is to be borrowed for the start of the service, the establishing bylaw and the loan authorization bylaw (*Vernon Search and Rescue Service Loan Authorization Bylaw No. 2779, 2018*) must, for the purpose of obtaining participating area approval, be dealt with as if they were one bylaw;

NOW THEREFORE, the Board of the Regional District of North Okanagan, in open meeting assembled hereby, ENACTS AS FOLLOWS:

CITATION

1. This Bylaw may be cited as the "*Vernon Search and Rescue Service Establishment Bylaw No. 2778, 2018*".

ESTABLISHMENT AND DESCRIPTION OF SERVICE

2. The Regional District is authorized to undertake and carry out, or cause to be carried out, the purchase of real property and construction and/or modification of a building to service the Vernon Search and Rescue Service within the Regional District of North Okanagan.

SERVICE AREA BOUNDARIES

3. The boundaries of the service area are the entire Regional District of North Okanagan.

PARTICIPANTS

4. The participants to this service are:
 - City of Armstrong
 - District of Coldstream
 - City of Enderby

- Village of Lumby
- Township of Spallumcheen
- City of Vernon
- Electoral Area "B";
- Electoral Area "C";
- Electoral Area "D";
- Electoral Area "E";
- Electoral Area "F";

COST RECOVERY

5. The annual cost of providing the service outlined in this Bylaw shall be recovered by one or more of the following:
- a. requisition of money under sections 385 [*Requisition of funds from municipalities*] and 387 [*Requisition of funds from electoral areas*] of the Act to be collected by a property value tax to be levied on land and improvements for regional hospital district purposes and collected under sections 386 and 388 of the Act;
 - b. revenues received by way of agreement, enterprise, gift, grant or otherwise.
6. The maximum amount that may be requisitioned annually for the service shall not exceed three hundred thousand dollars (\$300,000) or \$0.02 per \$1,000 of the net taxable value of land and improvements included in the service area, whichever is greater.

COST APPORTIONMENT

7. The annual cost of this service shall be apportioned amongst the participants on the basis of the value of land and improvements only for regional hospital district purposes in those areas.

Read a First, Second and THIRD Time	this	16 th	day of	May, 2018
Approved by the Inspector of Municipalities	this		day of	, 2018
Received elector approval by alternative approval process	this		day of	, 2018
ADOPTED	this		day of	, 2018

Chair
Bob Fleming

Corporate Officer
Paddy Juniper

CERTIFIED true copy of "Vernon Search and Rescue Service
Establishment Bylaw No. 2778, 2018" as read a third time.
Dated at Coldspring, BC this 22nd day of May, 2018.


Paddy Juniper
Corporate Officer

REGIONAL DISTRICT OF NORTH OKANAGAN

BYLAW No. 2779

A bylaw to authorize the borrowing of up to \$3,500,000 to facilitate the cost of buying real property and constructing a building to serve the Vernon Search and Rescue Service

WHEREAS this Bylaw relates to *Vernon Search and Rescue Service Establishment Bylaw No. 2778, 2018* to provide for establishment of the Vernon Search and Rescue Service within the Regional District of North Okanagan;

AND WHEREAS the Board has requested and the Regional District proposes to borrow a sum not exceeding three million five hundred thousand dollars (\$3,500,000) with repayment of a debt up to a twenty (20) year term, to facilitate the acquisition of real property and construction of a building to serve the Vernon Search and Rescue Service serving the whole of the Regional District of North Okanagan (Armstrong, Coldstream, Enderby, Lumby, Spallumcheen, Vernon, Electoral Areas "B", "C", "D", "E" and "F") (the Service Area);

AND WHEREAS the participating areas are the City of Armstrong, District of Coldstream, City of Enderby, Village of Lumby, Township of Spallumcheen, City of Vernon and Electoral Areas "B", "C", "D", "E" and "F" within the Regional District of North Okanagan;

AND WHEREAS the Board has, by resolution, provided that approval of the electors be given by alternative approval process within the entire Service Area;

AND WHEREAS pursuant to section 345 [Approval by alternative approval process] of the *Local Government Act* and section 86 of the *Community Charter* participating area approval has been obtained within the entire service area to borrow funds and establish the service for the purpose of acquiring land, and constructing a building to serve the Vernon Search and Rescue Service within the Regional District of North Okanagan;

AND WHEREAS the authority to borrow under this bylaw expires five years from the date on which this bylaw is adopted;

NOW THEREFORE the Board of the Regional District of North Okanagan, in open meeting assembled, hereby ENACTS AS FOLLOWS:

CITATION

1. This Bylaw may be cited as "*Vernon Search and Rescue Loan Authorization Bylaw No. 2779, 2018*".

LOAN AUTHORIZATION

2. The Regional District of North Okanagan is hereby empowered and authorized to undertake and carry out or cause to be carried out the acquisition of real property and construction or modification of a building to accommodate the Vernon Search and Rescue Service within the Regional District of North Okanagan and to do all things necessary in connection therewith and without limiting the generality of the foregoing.

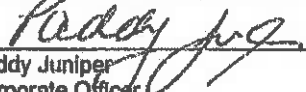
- a) to borrow upon the credit of the Regional District a sum of up to three million five hundred thousand dollars (\$3,500,000);
 - b) to acquire all such real property, easements, rights-of-way, licenses, rights or authorities as may be requisite or desirable for or in connection with the Vernon Search and Rescue Service.
3. The debt incurred in this Loan Authorization Bylaw relates specifically to the *Vernon Search and Rescue Service Establishment Bylaw No. 2778, 2018*.
 4. The debt is being incurred to provide funding for the acquisition of real property and construction or modification of a building to accommodate the Vernon Search and Rescue Service within the Regional District of North Okanagan.
 5. The maximum term for which a debenture debt may be issued to secure the debt created by this bylaw is for a term not to exceed twenty (20) years.

Read a First, Second and THIRD Time	this	16 th	day of	May, 2018
Approved by the Inspector of Municipalities	this		day of	, 2018
Received elector approval by alternative approval process	this		day of	, 2018
ADOPTED	this		day of	, 2018

Chair
Bob Fleming

Corporate Officer
Paddy Juniper

CERTIFIED true copy of "Vernon Search and Rescue Loan Authorization Bylaw No. 2779, 2018" as read a third time.
Dated at Goldstream, BC this 22nd day of May, 2018.



Paddy Juniper
Corporate Officer



**REGIONAL DISTRICT
of
NORTH OKANAGAN**

REPORT

File No.: 3900.2778

TO: Board of Directors
FROM: Corporate Services
DATE: April 28, 2018
SUBJECT: Vernon Search and Rescue - Service Establishment and Loan Authorization Bylaws

RECOMMENDATION 1:

That staff be directed to forward the report entitled 'Vernon Search and Rescue – Service Establishment and Loan Authorization Bylaws' dated April 28, 2018 to member municipalities and the Electoral Area Directors for information.

RECOMMENDATION 2:

That, following receipt of comments from member municipalities and the Electoral Area Directors, staff be directed to undertake an alternative approval process of the entire proposed service area being the City of Armstrong, District of Coldstream, City of Enderby, Village of Lumby, Township of Spallumcheen, City of Vernon and Electoral Areas "B", "C", "D", "E" and "F" of the Regional District of North Okanagan pursuant to section 342(4) of the *Local Government Act* to determine the opinion of the electors with regard to adopting the following bylaws:

1. *Vernon Search and Rescue Service Establishment Bylaw No. 2778, 2018*; and
2. *Vernon Search and Rescue Service Loan Authorization Bylaw No. 2779, 2018*

to establish a service and adopt a loan authorization bylaw of up to \$3.5 million dollars to facilitate the cost of buying real property and constructing a building to serve the Vernon Search and Rescue Service within the Regional District of North Okanagan.

RECOMMENDATION 3:

That *Vernon Search and Rescue Service Establishment Bylaw No. 2778, 2018* be given First, Second and Third Readings and forwarded to the Inspector of Municipalities for approval.

RECOMMENDATION 4:

That *Vernon Search and Rescue Service Loan Authorization Bylaw No. 2779, 2018* be given First, Second and Third Readings and forwarded to the Inspector of Municipalities for approval.

SUMMARY:

Both the Service Establishment Bylaw and the Loan Authorization Bylaw required to establish a service and authorize the borrowing of up to \$3.5 million would require Approval of the Electors, through either referendum or an Alternative Approval Process (AAP), and approval of the Inspector of Municipalities prior to adoption.

Staff recommend that the Board:

1. pursue obtaining the approval of the electors through an AAP process versus assent voting (referendum) for the reasons noted in this report; and
2. resolve (by a 2/3 vote) that participating area approval be obtained for the entire proposed service area as provided by Section 342(4) of the *Local Government Act*.

BACKGROUND:

At the Board of Directors meeting held on March 28, 2018 the Board received a delegation from Vernon Search and Rescue requesting that the Regional District consider conducting an Alternative Approval Process to request funding of \$3.5 million to facilitate a property purchase (estimated \$1.0 million) and building costs (estimated \$2.5 million) to accommodate current and future space needs for the Vernon Search and Rescue Society.

At the Board of Directors meeting held on April 18, 2018 the following resolution was passed:

That staff be directed to draft Service Establishment and Loan Authorization Bylaws with regard to borrowing \$3.5 million to facilitate a property purchase (estimated \$1.0 million) and building costs (estimated \$2.5 million) to establish a Vernon Search and Rescue Service for the entire Regional District and report back on alternatives to seek electoral consent.

In 1994, the current building that houses the Vernon Search and Rescue (VSAR) at 9848 Aberdeen Road was constructed. VSAR currently operates out of the building on the RDNO lands with no agreement in place. VSAR expanded the building in 2004 to accommodate manpower, equipment and operations as the group continued to grow. In 2017 VSAR approached the RDNO to inquire about expanding on their current location, which would have required the acquisition of adjacent lands. Following an environmental assessment on the proposed lands adjacent to the current VSAR building, it was determined the expansion could not happen due to environmental sensitivities of the wetlands (spade foot toad). At that time, VSAR and the RDNO began discussions on the feasibility of relocating the VSAR to alternate RDNO owned properties. Due to the nature of the service that VSAR provides to the residents of the North Okanagan, the VSAR has advised that a preferable location would be adjacent to a major thoroughfare in the Greater Vernon vicinity to allow volunteer members to respond to calls in a timely manner. The VSAR estimates that it would require up to \$1.0 million for property purchase and up to \$2.5 million for the building construction/modification. The property and building would be owned by the RDNO and leased back to the VSAR at a nominal cost.

Bylaw 1801, being the North Okanagan Search and Rescue Service Establishment Bylaw was adopted on August 5, 2003. This bylaw was established in 2003 to facilitate an annual grant to the VSAR to assist with the payment of annual building operating costs. Bylaw 1801 specifically provides that no borrowing shall be incurred for the purposes of this service. It is not proposed that there would be any change to Bylaw 1801 and that the North Okanagan Search and Rescue Service under Bylaw 1801 would continue to provide an annual grant to assist VSAR with annual operating costs.

The following steps are required prior to proceeding with an AAP:

- The Board must give three readings to the bylaws (service establishment and loan authorization); and
- Approval by the Inspector of Municipalities must be provided.

Once the Inspector has provided approval for the service establishment and loan authorization bylaws, the Regional District would then be in a position to proceed to:

- Prepare the elector response form
- Determine the deadline to receive elector responses (must be at least 30 days from publication of the second notice of AAP)
- Prepare estimate of electors
- Liaise with VSAR and member jurisdictions on a communications plan for the AAP

If the AAP process proceeds and receives more than 10% of eligible voters responding against adoption of the service establishment and loan authorization bylaws, the Board would then have the option of seeking approval of the electors through an assent vote (referendum). If the Board chose to go to an assent vote it would have to be scheduled within 80 days of the deadline day of the AAP.

RATIONALE TO SUPPORT THE ALTERNATIVE APPROVAL PROCESS (AAP):

The Board must weigh the various considerations associated with any proposal and determine whether or not an AAP or assent voting opportunity (referendum) would be the best process to undertake in seeking elector approval by gauging the public interest and support for the matter. The nature of the service provided by VSAR and early indications from the public would indicate that this matter would not be contentious and that residents would generally support the proposal.

Benefits to using the AAP process include:

1. **Cost savings:** advertising, ballots, voting location rental costs, wages associated with advance and general voting opportunities.
2. **Convenience:** electors have a minimum 30 day window to submit elector response forms opposing adoption of the bylaws versus a two day established/facilitated voting process required through assent voting.
3. **Time:** an AAP process can be conducted within a much shorter time frame allowing the project to proceed if it receives assent of the electors. The VSAR have requested that the process be advanced as quickly as possible as they wish to move ahead with a property purchase which cannot proceed unless the Service Establishment and Loan Authorization bylaws have been adopted.
4. **Relative Tax Impact:** the annual debt payment on borrowing \$3.5 million over a period of 20 years is estimated to be 1.2 cents per \$1000 of taxable assessment. The limit for an AAP under Section 345(1)(a) of the Local Government Act is 50 cents per \$1000 in this instance.

FINANCIAL CONSIDERATIONS:

The bylaws propose borrowing up to \$3.5 million for a period of up to 20 years. The annual debt payment will be dependent upon the market rates at the time of issuing the debt, which generally occurs once the project is complete.

The current market rate at the time of writing this report is 3.02%. The two most recent MFA debt issues in the spring of 2018 and the fall of 2017 were both at a rate of 3.15%.

The following analysis uses a rate of 3.25% to calculate the tax split among jurisdictions and the impact on the average residential property. At 3.25% the annual debt payment is approximately \$244,000.

A sensitivity analysis below shows the impact on the annual debt payment with varying interest rates. The annual debt payment changes by \$8,750 for every 0.25% change in the interest rate.

Interest Rate	Annual Debt Payment
3.00%	\$235,250
3.25%	\$244,000
3.50%	\$252,750

Based upon 2018 converted land and improvements as the basis for apportionment, the expected allocation of the annualized cost of borrowing \$3.5 million over 20 years at an estimated interest rate of 3.25% is presented in the table below.

Jurisdiction	Assessment	Apportionment	Tax Requisition
ARMSTRONG	90,438,697	4.51%	\$ 11,013
ENDERBY	47,051,386	2.35%	5,730
VERNON	1,066,783,775	53.24%	129,904
COLDSTREAM	266,697,990	13.31%	32,476
SPALLUMCHEEN	110,918,496	5.54%	13,507
LUMBY	3,131,545	1.65%	4,034
ELECTORAL AREA B	110,876,243	5.54%	13,502
ELECTORAL AREA C	116,639,466	5.82%	14,203
ELECTORAL AREA D	51,506,743	2.57%	6,272
ELECTORAL AREA E	15,503,105	0.77%	1,888
ELECTORAL AREA F	94,207,346	4.70%	11,472
	2,003,754,792	100.00%	\$ 244,000

The implied residential tax rate required to fund the annual debt payment is 1.2 cents per \$1000 of taxable assessment. For the average residential property assessed at approximately \$400,000 in the North Okanagan this equates to slightly less than \$5 per year.

Submitted by:


 Paddy Juniper, Corporate Officer

Reviewed and Endorsed by:


 Stephen Banmen, General Manager Finance

Approved for inclusion:


 David Sewell, Chief Administrative Officer

Attachments:

1. North Okanagan Search and Rescue Funding Service Establishment Bylaw No. 1801, 2002
2. DRAFT Vernon Search and Rescue Service Establishment Bylaw No. 2778, 2018
3. DRAFT Vernon Search and Rescue Service Loan Authorization Bylaw No. 2779, 2018

REGIONAL DISTRICT OF NORTH OKANAGAN

BYLAW NO. 1801

A Bylaw to establish a Search and Rescue function throughout the Regional District of North Okanagan for the purpose of contributing to the cost of providing a Search and Rescue Program operated by the Vernon Search and Rescue Group Society

WHEREAS Section 800 [*Establishing bylaws required for most services*] of the *Local Government Act*, R.S.B.C., 1996, Chapter 323, as amended, and Regulations passed pursuant thereto, provides for the adoption of a bylaw to establish a new Regional District service;

AND WHEREAS Section 796(3) [*General authority for services*] of the *Local Government Act* provides that a regional district service may be operated directly by the regional district or through another public authority, person or organization;

AND WHEREAS the Board of the Regional District of North Okanagan deems it desirable to establish a function for the purpose of contributing to the cost of providing a Search and Rescue Program that is operated by the "Vernon Search and Rescue Group Society";

AND WHEREAS the Board has received consent on behalf of the electors in accordance with Section 801.4 [*Consent on behalf of municipal electors*] of the *Local Government Act*; from the City of Enderby, City of Armstrong, Township of Spallumcheen, City of Vernon, District of Coldstream, and the Village of Lumby;

AND WHEREAS the Board has received approval of the electors in accordance with Section 801.3 [*Approval of electors by counter petition opportunity*] of the *Local Government Act*; from Electoral Areas "B", "C", "D", "E" and "F" respectively;

AND WHEREAS pursuant to the provisions of Section 172.4(3) [*Notice of counter petition opportunity*] of the *Local Government Act*; a fair estimate of the total number of electors of the area that the counter petition applies is 12,139 of which 5% (607) is required to petition against the matter in order to prevent the Regional District from proceeding without assent of the electors;

NOW THEREFORE, the Board of the Regional District of North Okanagan, in open meeting assembled, hereby ENACTS AS FOLLOWS:

CITATION

1. This Bylaw may be cited for all purposes as the "***North Okanagan Search and Rescue Funding Service Establishment Bylaw No. 1801, 2002***".

ESTABLISHMENT

2. The Board of the Regional District of North Okanagan hereby establishes the function known as the "***North Okanagan Search and Rescue Funding Service***". This function is established for the purpose of contributing to the cost of providing a Search and Rescue Program to all areas within the North Okanagan Regional District.

SERVICE AREA

3. The service area boundaries for the Search and Rescue Service shall encompass, and include all lands within Electoral Areas "B", "C", "D", "E", and "F"; the City of Enderby, the City of Armstrong, the Township of Spallumcheen, the City of Vernon, the District of Coldstream and the Village of Lumby; with such service area to be known as the "***North Okanagan Search and Rescue Service Area***".

- 4. The Regional District is authorized to provide funding for the purpose of contributing to the cost of providing a Search and Rescue Program operated by the Vernon Search and Rescue Group Society within the said service area.

PARTICIPATING AREAS

- 5. The participating areas for this service are Electoral Areas "B", "C", "D", "E", and "F"; the City of Enderby, the City of Armstrong, the Township of Spallumcheen, the City of Vernon, the District of Coldstream and the Village of Lumby.

COST RECOVERY

- 6. The annual operating costs shall be recovered from the said service area by the requisition of money under Sections 805 [*Requisition of funds from municipalities*] and 806 [*Requisition of funds for electoral areas*] of the *Local Government Act* to be collected by a property value tax to be levied and collected under Sections 805.1 [*Collection in municipalities*] and 806.1 [*Collection in electoral areas*] of the said *Act*.
- 7. The annual net costs for operating this service shall be apportioned amongst the participating municipalities and electoral areas on the basis of the converted land and improvements for hospital purposes in the participating areas.
- 8. No borrowing shall be incurred for the purposes of this service.

MAXIMUM REQUISITION

- 9. The maximum amount that may be requisitioned for annual operating charges shall under Section 803 (1) (a) [*Options for cost recovery*] of the *Local Government Act* not exceed a levy of \$20,000 Dollars or (\$0.0043) per One Thousand Dollars (\$1,000.00) on the net taxable value of land and improvements included in the service area, whichever is greater.

WITHDRAWAL

- 10. A participant may withdraw from the function by giving notice in writing to the Board prior to September 1st of the preceding year.

Read a FIRST, SECOND and THIRD time this 13th day of November, 2002

Received the APPROVAL of the INSPECTOR of MUNICIPALITIES this 28th day of May, 2003

Reconsidered, Finally Passed and ADOPTED this 5th day of August, 2003



Chair



Corporate Officer

REGIONAL DISTRICT OF NORTH OKANAGAN

BYLAW No. 2778

A bylaw to establish a service for the purpose of facilitating the cost of buying real property and constructing a building to serve the Vernon Search and Rescue Service within the Regional District of North Okanagan

WHEREAS the *Local Government Act (Act)* provides that the Board of the Regional District of North Okanagan may, by bylaw, establish and operate any service that the Board considers necessary or desirable for all or part of the regional district;

AND WHEREAS the Regional District of North Okanagan wishes to acquire real property and facilitate the construction and/or modification of a building to service the Vernon Search and Rescue Service within the Regional District of North Okanagan;

AND WHEREAS the Board has, by resolution, determined that participating area approval is to be obtained for the entire service area and the approval process shall be by Alternative Approval Process in accordance with subsections 342(2)(b), 342(4) and 345(1)(a) of the *Act*;

AND WHEREAS pursuant to Section 348(1) of the *Local Government Act*, if money is to be borrowed for the start of the service, the establishing bylaw and the loan authorization bylaw [*Vernon Search and Rescue Service Loan Authorization Bylaw No. 2779, 2018*] must, for the purpose of obtaining participating area approval, be dealt with as if they were one bylaw;

NOW THEREFORE, the Board of the Regional District of North Okanagan, in open meeting assembled hereby, ENACTS AS FOLLOWS:

CITATION

1. This Bylaw may be cited as the "*Vernon Search and Rescue Service Establishment Bylaw No. 2778, 2018*".

ESTABLISHMENT AND DESCRIPTION OF SERVICE

2. The Regional District is authorized to undertake and carry out, or cause to be carried out, the purchase of real property and construction and/or modification of a building to service the Vernon Search and Rescue Service within the Regional District of North Okanagan.

SERVICE AREA BOUNDARIES

3. The boundaries of the service area are the entire Regional District of North Okanagan.

PARTICIPANTS

4. The participants to this service are:
 - City of Armstrong
 - District of Coldstream
 - City of Enderby

- Village of Lumby
- Township of Spallumcheen
- City of Vernon
- Electoral Area "B";
- Electoral Area "C";
- Electoral Area "D";
- Electoral Area "E";
- Electoral Area "F";

COST RECOVERY

5. The annual cost of providing the service outlined in this Bylaw shall be recovered by one or more of the following:
- a. requisition of money under sections 385 [*Requisition of funds from municipalities*] and 387 [*Requisition of funds from electoral areas*] of the Act to be collected by a property value tax to be levied on land and improvements for regional hospital district purposes and collected under sections 386 and 388 of the Act;
 - b. revenues received by way of agreement, enterprise, gift, grant or otherwise.
6. The maximum amount that may be requisitioned annually for the service shall not exceed three hundred thousand dollars (\$300,000) or \$0.02 per \$1,000 of the net taxable value of land and improvements included in the service area, whichever is greater.

COST APPORTIONMENT

7. The annual cost of this service shall be apportioned amongst the participants on the basis of the value of land and improvements only for regional hospital district purposes in those areas.

Read a First, Second and THIRD Time	this	day of	, 2018
Approved by the Inspector of Municipalities	this	day of	, 2018
Received elector approval by alternative approval process	this	day of	, 2018
ADOPTED	this	day of	, 2018

Chair
Bob Fleming

Corporate Officer
Paddy Juniper

REGIONAL DISTRICT OF NORTH OKANAGAN

BYLAW No. 2779

A bylaw to authorize the borrowing of up to \$3,500,000 to facilitate the cost of buying real property and constructing a building to serve the Vernon Search and Rescue Service

WHEREAS this Bylaw relates to *Vernon Search and Rescue Service Establishment Bylaw No. 2778, 2018* to provide for establishment of the Vernon Search and Rescue Service within the Regional District of North Okanagan;

AND WHEREAS the Board has requested and the Regional District proposes to borrow a sum not exceeding three million five hundred thousand dollars (\$3,500,000) with repayment of a debt up to a twenty (20) year term, to facilitate the acquisition of real property and construction of a building to serve the Vernon Search and Rescue Service serving the whole of the Regional District of North Okanagan (Armstrong, Coldstream, Enderby, Lumby, Spallumcheen, Vernon, Electoral Areas "B", "C", "D", "E" and "F") (the Service Area);

AND WHEREAS the participating areas are the City of Armstrong, District of Coldstream, City of Enderby, Village of Lumby, Township of Spallumcheen, City of Vernon and Electoral Areas "B", "C", "D", "E" and "F" within the Regional District of North Okanagan;

AND WHEREAS the Board has, by resolution, provided that approval of the electors be given by alternative approval process within the entire Service Area;

AND WHEREAS pursuant to section 345 [*Approval by alternative approval process*] of the *Local Government Act* and section 86 of the *Community Charter* participating area approval has been obtained within the entire service area to borrow funds and establish the service for the purpose of acquiring land, and constructing a building to serve the Vernon Search and Rescue Service within the Regional District of North Okanagan;

AND WHEREAS the authority to borrow under this bylaw expires five years from the date on which this bylaw is adopted;

NOW THEREFORE the Board of the Regional District of North Okanagan, in open meeting assembled, hereby ENACTS AS FOLLOWS:

CITATION

1. This Bylaw may be cited as "***Vernon Search and Rescue Loan Authorization Bylaw No. 2779, 2018***".

LOAN AUTHORIZATION

2. The Regional District of North Okanagan is hereby empowered and authorized to undertake and carry out or cause to be carried out the acquisition of real property and construction or modification of a building to accommodate the Vernon Search and Rescue Service within the Regional District of North Okanagan and to do all things necessary in connection therewith and without limiting the generality of the foregoing;

- a) to borrow upon the credit of the Regional District a sum of up to three million five hundred thousand dollars (\$3,500,000);
 - b) to acquire all such real property, easements, rights-of-way, licenses, rights or authorities as may be requisite or desirable for or in connection with the Vernon Search and Rescue Service.
3. The debt incurred in this Loan Authorization Bylaw relates specifically to the *Vernon Search and Rescue Service Establishment Bylaw No. 2778, 2018*.
 4. The debt is being incurred to provide funding for the acquisition of real property and construction or modification of a building to accommodate the Vernon Search and Rescue Service within the Regional District of North Okanagan.
 5. The maximum term for which a debenture debt may be issued to secure the debt created by this bylaw is for a term not to exceed twenty (20) years.

Read a First, Second and THIRD Time	this	day of	, 2018
Approved by the Inspector of Municipalities	this	day of	, 2018
Received elector approval by alternative approval process	this	day of	, 2018
ADOPTED	this	day of	, 2018

Chair
Bob Fleming

Corporate Officer
Paddy Juniper

***Vernon Search and Rescue
New Building
Business Plan 2018***

Introduction

Vernon Search and Rescue (VSAR) was formed following a very unpleasant event in Vernon history. In 1960, a young boy went missing in Vernon and was later found deceased from suspicious causes. Through this, it became clear that an organized group of people were needed to look for missing persons and to rescue outdoor enthusiasts. Since the beginning, we have continued to train year-round to maintain our readiness to respond to incidents large and small. And we continue to volunteer our time away from our work and families for the greater good of helping people in trouble.

Our Mission Statement:

To provide search and rescue services, including community emergency response, throughout the North Okanagan Region of BC, on behalf of our requesting agencies, and provide mutual aid support to other teams when needed throughout the Province of BC.

To provide training and education to the public on prevention of incidents, which could lead to search and rescue tasking.

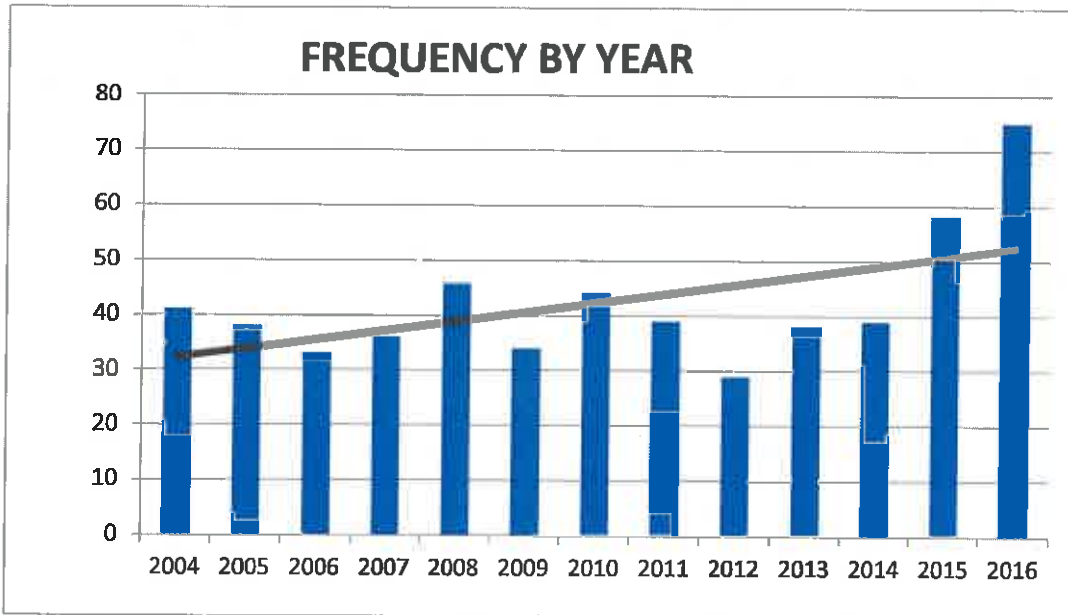
Our mandate is to respond to a call in a timely manner no matter the time or weather. We will do so professionally and as quickly and safely as possible.

Background and History

VSAR first began as a division of the Vernon Fish and Game Club in 1960, largely consisting of ex-military outdoorsmen. In 1965, we separated into our own distinct association as donations from the community allowed the organization to acquire some equipment to help with our searches. Most recently, in 1987, we incorporated as a legal Society under the Society Act of BC, and were approved as a registered charity

Over the years, VSAR has operated out of various locations, beginning with the Fish and Game Club. In 1994, VSAR raised funds through the community and was able to construct a building on the corner of the RDNO property on Aberdeen Road. Then in 2004, we further expanded that building to add an additional vehicle bay and a larger training area, as the group became busier and needed to increase the number of members and the amount of equipment for operations.

Record keeping increased about 15 years ago. Since then we have tracked our callouts, types of calls, volunteer hours and more. Nearly every year we have had an increased callout volume with 2015, 2016 and 2017 all breaking records for number of callouts. The table below illustrates the increasing trend.



Our geographic area covered is the entire North Okanagan Regional District, servicing a population of approximately 85,000 residents. We are the only SAR group in the province that covers an entire regional district, as compared to most regional districts which have multiple SAR groups.

We also provide coverage to neighboring SAR groups and at times can be requested by groups farther away. This can be due to a large-scale event or because VSAR has specialized equipment or skills.

Operating Model

VSAR is an all-volunteer, multi-disciplined Search and Rescue organization. While carrying on business as VSAR, the group is governed by the Vernon Search and Rescue Group Society. The society is incorporated as a not-for-profit society in accordance with the laws of the province of British Columbia.

The Society is governed by an elected Board of Directors, comprised of a President, Vice President, Secretary, and Treasurer. There are ten other elected Directors representing the administrative and operational functions of the Society. These include representatives from requesting agencies (BC Ambulance Service and RCMP), a representative from the Regional District of North Okanagan, an advocate for member's issues, a designate for public relations,

and a person in charge of membership information. Other director positions are related to more operational aspects such as the Director of rescue (responsible for specialty teams), and Director of buildings and equipment.

The Board meets once per month and more often as needed. The board has the authority to form committees to oversee specific functions of the society or to facilitate special projects. All committees report to the Board through an assigned Board member. Elections are held each April, and Directors are elected for a one year term. The Board operates in accordance with a defined code of conduct for all Directors, including specific policies related to conflict of interest and purchasing.

VSAR is a member of the BC Search and Rescue Association, which is the provincial body for approximately 80 SAR groups in the province. This organization provides a common voice for all SAR groups and advocates for Search and Rescue with the provincial government and provides a common training framework through the Justice Institute of BC for all SAR members.

The operational activities of VSAR are authorized and regulated through Emergency Management BC (EMBC). This organization authorizes all operations of VSAR. EMBC regulates groups activities through the Provincial Operating Guidelines. When VSAR is requested by one of the authorized requesting agencies, EMBC authorizes that task by issuing a task number and authorizes the use of additional operational support such as mutual aid, or additional equipment such as aircraft.

All activities of the SAR unit, and of the governing society are entirely volunteer with no remuneration received by any member. While on tasks, EMBC authorizes repayment of out of pocket costs to full time, suitably qualified members of the society.

Operationally, the group operates 24/7/365 in all weather conditions. The core of the group is Ground Search and Rescue (GSAR) trained personnel who conduct searches on foot, on bikes, and on motorized equipment. When a member has attained GSAR status, they may join a specialty team. These teams are used in specific Search, and Rescue tasks by trained and experienced team members. Specialty teams within Vernon SAR include:

- Swiftwater Rescue
- Flat Ice Rescue
- High Angle Rope Rescue
- Boat teams
- Snowmobile Search and Rescue
- Helicopter Winch Rescue
- Mountain Bike Search and Rescue
- Tracking

Vernon SAR also provides mutual aid support to other groups in the region. The Helicopter winch rescue team is frequently utilized as a regional resource in southern BC as an example. As well, Vernon's Swiftwater Rescue, Snowmobile, and Rope Rescue teams are frequently dispatched within the region to assist other SAR groups.

Financial Model

VSAR is staffed by 100% un-paid volunteers. We do not collect an hourly wage even when on a mission. This is unlike the volunteer fire departments in the province. In providing our service to the community, there are times that we damage equipment and must repair or replace it. We also provide our members with training. To do all of this we require an annual operating budget of approximately \$150K.

To raise the funds needed to keep VSAR going we rely on fundraising. We have operated the local showing of the Banff Mountain Film Festival for the past 26 years, which raises approximately \$20K annually. We also rely on community donations, which annually raises approximately \$20K. And the RDNO gives us \$20K each year that is used to pay for radio licensing, occupancy costs, equipment and training.

We also receive provincial funding. EMBC pays a stipend for use of equipment while on task, to a maximum of \$1,000. This is approximately \$100K annually depending on the nature and duration of our missions each year. This covers direct costs on missions (ie. fuel, repairs, supplies, insurance etc).

VSAR also benefits from gaming grants. We apply annually and usually receive a portion of what we apply for. Historically we have received \$30K to \$50K annually, which have partially funded the acquisition of our boats, ATVs, snowmobiles, trucks, and radios over the years.

For a number of years, we have been aware that our building is not adequate for our needs and the situation was getting worse. We have saved money to contribute to a new building and have nearly \$200K marked for the building.

Expand or Move

VSAR is extremely short on space. We have no room for our existing equipment and do not have adequate training or planning space. Some of our equipment is stored outside in trailers and a seacan. This is at risk of theft or damage which would compromise VSAR's ability to respond to callouts.

As our group gets busier and our subjects get farther into the backcountry, we require more equipment and trained SAR members to quickly respond to emergencies. This requires space for training and equipment storage.

In April of 2016, VSAR began the process of reviewing options for expanding our current building. Preliminary discussions were completed with both RDNO and the District of Coldstream (DoC). It was quickly determined that there would be no easy way to expand on

the RDNO lot, so expansion into the neighboring lot was reviewed. The lot was found to be owned by the DoC.

The expansion plans were ultimately thwarted by an endangered species of toad that inhabits the DoC lot. This restricted the available building area to a very narrow strip of land that would not be suitable for VSAR purposes.

Our efforts were then refocused on moving to a new location or looking at alternatives that would suit VSAR now and have room for expansion in the future.

Alternatives to a Move

Moving to a new location is an expensive and time-consuming proposition so we thoroughly reviewed other options. The first option was to expand our current building further onto RDNO land (away from the toad). This was found to be unfeasible as significant RDNO parking and greenspace would be impacted. It would also make future expansion of the RDNO building difficult.

The second option explored was to continue to operate out of the current location but store some of our equipment at alternate locations around the region. This has the benefit of sometimes having the right gear in a closer location to an emergency, but the corollary is true as well. It also has the drawback that volunteers must now travel to different locations to make sure the gear is always in a ready state, which adds cost and potential confusion. This is not an ideal model, so we have focused our efforts on moving to a location that can house all of our equipment with adequate training space for our team members.

Building Parameters

VSAR has held multiple meetings with our members to determine what our needs are for a building. Below is a list of parameters that we feel we require in a building for safe and effective operations.

- Entrance Vestibule 100 sq ft
- Lobby / Debrief 700 sq ft
- Planning Office 125 sq ft
- Meeting / Training Area 1200 sq ft
- Communications 200 sq ft
- Office 1 125 sq ft
- Office 2 125 sq ft
- Office Storage 100 sq ft
- Kitchen 100 sq ft
- Bunk Room 75 sq ft
- Vehicle Storage 4200
- Wash Bay 700 sq ft
- Mezzanine Storage 700 sq ft
- Equipment Storage 500 sq ft
- Electronics Storage 75 sq ft
- Washrooms 4 x 50 sq ft
- Electrical / Mechanical 75 sq ft

This totals approximately 9,200 square feet.

In addition to the internal requirements, we have some location parameters that we feel must be met by a property to be considered. They are listed below.

- Close access to a highway (two blocks away is acceptable)
- No school zones between property and nearest highway
- Two acres minimum
- Flat or mostly flat property
- If it has a building on it, the building must be convertible to VSAR purposes or be removable
- Property must have 24-hour access in all weather conditions
- Property must have neighbors that don't mind VSARs 24-hour operations

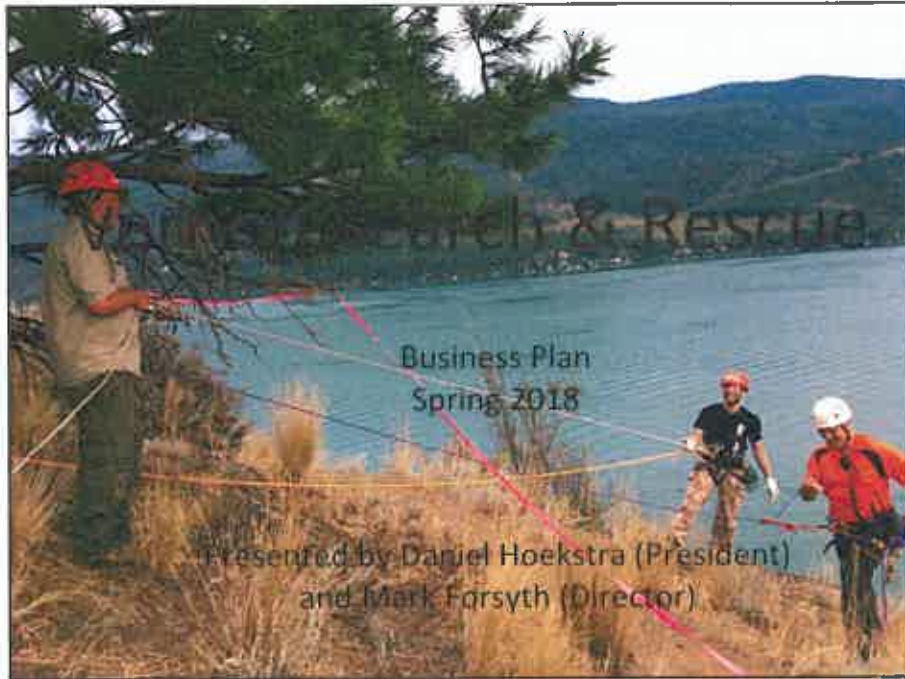
Finding a property that fits our criteria may be difficult, but it is necessary to help VSAR maintain its high level of readiness.

Conclusion

A new building is needed to keep VSAR ready and able to respond to the growing number of missions each year. We must continue to meet the ever-increasing number of people getting into trouble in the outdoors. To do this we require strong support from our Regional District Partner.

THE ASK:

Based on suitable properties that are on the market right now, and anticipated build costs, we believe we need approximately \$3.5M for a property and building. We are requesting RDNO support to move through the Alternative Approval process for this funding. We have reviewed multiple properties, but with the lengthy funding process it is likely that these open market properties will sell before a deal can be completed. For this reason, we are requesting that RDNO start the Alternative Approval process now, regardless of whether one of these existing properties can be secured, with the expressed purpose to have the funding approved and in place to allow quick movement on a property when a suitable one becomes available.



Who We Are

- Purely volunteer
- Significant training for:
 - Ground search
 - Technical body recovery
 - Rope rescue
 - Flat water rescue
 - Flat ice rescue
 - Helicopter winch rescue
 - Swiftwater rescue
 - Snowmobile rescue



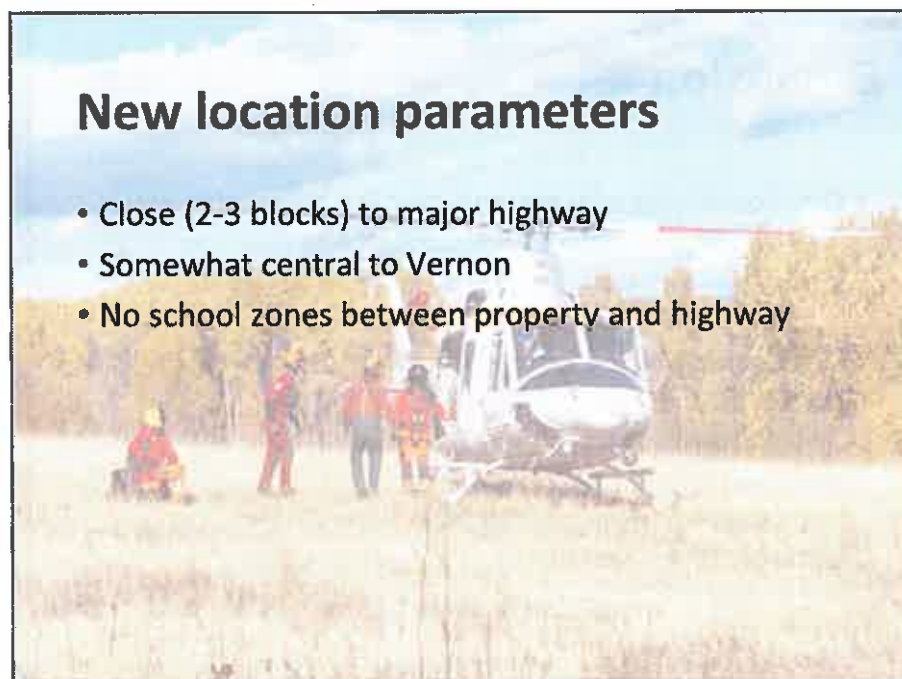
Expansion

- Developed plans to expand existing building
 - Plan to expand into Coldstream property next door
 - Environmental study found property to be habitat for endangered species
- Developed plans to expand further onto RDNO property
 - Significant existing parking lot intrusion



Now What?

- We developed some criteria for a new property / new building
- Reviewed properties owned by RDNO
- Reviewed properties for sale



New location parameters

- Close (2-3 blocks) to major highway
- Somewhat central to Vernon
- No school zones between property and highway



New building and lot parameters

- Mostly flat lot
- Minimum 2 acres
- 8 vehicle bays or 4 pullthrough deep bays
- Classroom / Office and Comms space
- Mission planning space
- Washrooms



Building Cost

- Preliminary plans have been drawn
- Preliminary costing has been completed on the drawings by an independent quantity surveyor
- \$2 – 2.5M

Review of RDNO Properties

- Pottery Fire Training Centre
 - Only access is through training centre (would be hampered if they are doing fire training)
 - Only building area is on top of closed landfill
- McLeish Rd works yard
 - Current tenants have no plans to move
 - Poor highway access
 - School zones
- DND land near College
 - 1 year lease annually

Purchase?

- VSAR reviewed some properties that are for sale
- Some might work but funding timeframes make purchases difficult
- Money allotted to a property purchase for VSAR would make a property purchase feasible
- Properties that fit VSAR needs are all around \$1M

The Ask

- VSAR requests that RDNO begin the Alternative Approval Process to secure \$3.5M (\$1M for property and \$2.5M for building)

Thank You

Discussion?

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Agenda

THE CORPORATION OF THE CITY OF ENDERBY

MEMO

To: Mayor and Council
From: Tate Bengtson, CAO
Date: May 27, 2018
Subject: Regional Conservation Fund Service Establishment

RECOMMENDATION

THAT Council expresses its desire to support and cooperate with the Regional Conservation Fund;

AND THAT Council declines to become a participant in the Regional District of North Okanagan's proposed Regional Conservation Fund service.

BACKGROUND

Attached to this memorandum is correspondence from the Regional District of North Okanagan inquiring as to support among member jurisdictions to establish a regional conservation fund. The proposed service is currently composed of the electoral areas, but municipalities are being invited to join if they wish.

As the attached correspondence explains, the proposed North Okanagan Conservation Fund would increase the tax requisition to create a grant application-based approach to preserving natural areas and promoting sustainability. RDNO is estimating that there would be an ongoing annual cost of \$25,000 to \$30,000 to administer the fund, which would include public outreach, reviewing and processing grant applications, and overhead costs. It does not appear that the service would make provision to undertake any conservation works directly, but rather would rely upon the grant function.

Unlike regional districts, for which specific services must be established by bylaw in order to determine the participants and tax accordingly, municipalities such as the City of Enderby need not create a service in order to support a purpose. In addition, the proposed service may be duplicative of conservation works that occur as a by-product of the daily responsibilities of City staff. (Note: the RDNO does not have a public works staff to clean up illegal dumping on public lands, for instance.)

Given the common interest in conservation, Staff recommend that Council expresses its support and desire to cooperate with the proposed Regional District of North Okanagan Regional Conservation Fund, but declines to become a participant in the service. The City can still provide assistance – whether funding, labour, or in-kind contributions – in support of particular

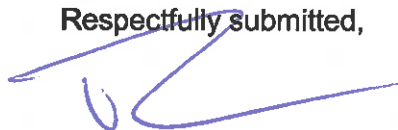
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projects of the Regional Conservation Fund when there is a common cause or otherwise on a case-by-case basis at the discretion of Council.

The work associated with this approach can be incorporated into existing staff capacity so that any tax revenue obtained from City of Enderby taxpayers for the purposes of conservation may go entirely towards the specific projects.

In the alternative, Council may wish to express to the Regional District of North Okanagan its support to become a participant in the proposed Regional Conservation Fund Service.

Respectfully submitted,



Tate Bengtson
Chief Administrative Officer

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REGIONAL DISTRICT OF NORTH OKANAGAN

MEMBER MUNICIPALITIES:

CITY OF ARMSTRONG
DISTRICT OF COLDSTREAM
CITY OF ENDERBY

VILLAGE OF LUMBY
TOWNSHIP OF SPALLUMCHEEN
CITY OF VERNON

ELECTORAL AREAS:

"B" – SWAN LAKE
"C" – B.X. DISTRICT
"D" – LUMBY (RURAL)

"E" – CHERRYVILLE
"F" – ENDERBY (RURAL)

OFFICE OF: CORPORATE AND ADMINISTRATIVE SERVICES

OUR FILE No.: 3045.01.02

April 30, 2018

Tate Bengtson, Chief Administrative Officer
City of Enderby
PO Box 400
Enderby, BC V0E 1V0

Corporation of the
City of Enderby



Dear Mr. Bengtson:

Re: Regional Conservation Fund and Service Establishment Bylaw

The Electoral Area Advisory Committee and Board have recently had conversations about establishing a Regional Conservation Fund.

A Conservation Funds is a local government service that is funded through a dedicated tax or fee, held and overseen by the local government, and earmarked for the specific purpose of undertaking projects that support environmental conservation and community sustainability. Conservation funds give people the opportunity to support local conservation goals and gives residents and community groups the opportunity to invest in protecting the environment that sustains them, preserving natural areas and creating a legacy of community health and sustainability. By taking the initiative to establish a conservation fund, local governments are recognizing the importance of biodiversity and a healthy natural world for maintaining human health and community resilience.

At the April 18, 2018 regular meeting of the Board of Directors, the following resolution was passed:

That staff be directed to draft a service establishment bylaw for a proposed Regional Conservation Fund Service with Electoral Areas "B", "C", "D", "E" and "F" as participants with the Tax Requisition rate set at \$0.02 per \$1000 of taxable land and improvements; and further;

That a letter be forwarded to member municipalities to determine interest in participating in a Regional Conservation Fund Service at a Tax Requisition rate set at \$0.02 per \$1000 of taxable land and improvements.

Attached to this letter is a copy of the March 14, 2018 staff report which highlights the background on how discussions on a Regional Conservation Fund came about, legal/statutory authority/procedural requirements, public consultation, personnel and budgetary considerations. The Regional District of North Okanagan (RDNO) is requesting that each community review the draft Service Establishment Bylaw as well as confirm if they wish to become a participant in this proposed service at a tax requisition rate of \$0.02 per \$1000 of taxable land and improvements.

Regional District of North Okanagan
9848 Aberdeen Road
Coldstream, BC V1B 2K9

Phone: 250-550-3700
Fax: 250-550-3701
Web: www.rdno.ca
E-Mail: info@rdno.ca

Letter to: Tate Bengtson, City of Enderby
From: David Sewell, Chief Administrative Officer
Subject: Regional Conservation Fund and Service Establishment Bylaw

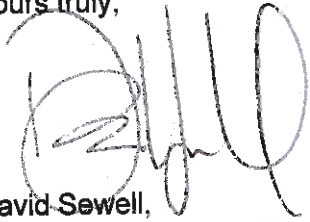
April 30, 2018

Page 2

File No.: 3045.01.02

The Okanagan Conservation Collaborative Program is willing to present on the topic of a conservation fund if there is interest. Please contact Laura Frank, Regional Planning Projects Manager at 250.550.3768 or laura.frank@rdno.ca and she can assist in coordinating a presentation if so desired.

Yours truly,



David Sewell,
Chief Administrative Officer
/f

REGIONAL DISTRICT OF NORTH OKANAGAN

BYLAW No. XXXX

A bylaw to establish a service for the purpose of funding local conservation efforts

WHEREAS the *Local Government Act (Act)* provides that the Board of the Regional District of North Okanagan may, by bylaw, establish and operate any service that the Board considers necessary or desirable for all or part of the regional district;

AND WHEREAS the Regional District of North Okanagan wishes to provide grant funding in support of local conservation efforts;

AND WHEREAS the Board wishes to establish a service for the purposes of providing such grant funding within the Regional District of North Okanagan.

AND WHEREAS the Board has, by resolution, determined that participating area approval is to be obtained for the entire service area and the approval process shall be by Alternative Approval Process in accordance with subsections 342(2)(b), 342(4) and 345(1)(a) of the Act;

NOW THEREFORE, the Board of the Regional District of North Okanagan, in open meeting assembled hereby, ENACTS AS FOLLOWS:

CITATION

1. This Bylaw may be cited as the "*North Okanagan Local Conservation Fund Service Establishment Bylaw No. XXXX, 2018*".

ESTABLISHMENT AND DESCRIPTION OF SERVICE

2. The Regional District is authorized to establish a service for the purpose of grant funding in support of conservation efforts.

SERVICE AREA BOUNDARIES

3. The boundaries of the service area are the boundaries of:
 - Area "B";
 - Area "C";
 - Area "D";
 - Area "E" and;
 - Area "F";

And the service area is known as the "Local Conservation Fund Service Area"

PARTICIPANTS

4. The participants of the service are:
 - Area "B";
 - Area "C";

- Area "D";
- Area "E" and;
- Area "F";

COST RECOVERY

5. The annual cost of providing the service outlined in this Bylaw shall be recovered by one or more of the following:
 - a. requisition of money under sections 385 [*Requisition of funds from municipalities*] and 387 [*Requisition of funds from electoral areas*] of the Act to be collected by a property value tax to be levied on land and improvements for regional hospital district purposes and collected under sections 386 and 388 of the Act and;
 - b. revenues received by way of agreement, enterprise, gift, grant or otherwise.
6. The maximum amount that may be requisitioned annually for the service shall not exceed \$78,000 or \$0.02 per \$1,000 of net taxable value of land and improvements included in the service area, whichever is greater.

COST APPORTIONMENT

7. The annual cost of this service shall be apportioned amongst the participants on the basis of the value of improvements only for regional hospital district purposes in those areas.

SERVICE WITHDRAWAL

8. In addition to the withdrawal procedure under the Local Government Act, a participant may withdraw from the service at the end of the calendar year by giving notice in writing at least six (6) months prior to the end of the calendar year.

Read a First, Second and THIRD Time	this	day of
Approved by the Inspector of Municipalities	this	day of
Received elector approval by alternative approval process	this	day of
ADOPTED	this	day of

Chair
Bob Fleming

Corporate Officer
Paddy Juniper



REGIONAL DISTRICT
of
NORTH OKANAGAN

REPORT

File No.: 3045.01.04

TO: Electoral Area Advisory Committee
FROM: Planning Department
DATE: March 14, 2018
SUBJECT: Regional Conservation Fund

RECOMMENDATION:

That the report dated March 14, 2018 from the Planning Department regarding a Regional Conservation Fund be received for information.

BACKGROUND:

At the July 6, 2017 regular meeting of the Electoral Area Advisory Committee the following resolution was passed,

That the Okanagan Collaborative Conservation Program be requested to appear as a delegation before the Board of Directors regarding establishment of a conservation fund in the North Okanagan.

On September 20, 2017 Scott Boswell, Program Manager with the Okanagan Collaborative Conservation Program and Bryn White, Program Coordinator for the South Okanagan Similkameen Conservation Program presented to the Board of Directors on the South Okanagan Conservation Fund. The presentation highlighted: conservation partnerships; the proposal to establish a local conservation fund; timing; what a conservation fund is; reasons why to establish a conservation fund; where the money for a conservation fund comes from; management of the fund; what types of projects are eligible for funding; and examples of communities that have established a conservation fund within the province. This presentation is attached as Schedule A.

On October 4, 2017 the Board passed the following resolution:

That staff report back to the Electoral Area Advisory Committee with regard to the proposed establishment of a conservation fund in the North Okanagan.

Based on staff discussions and uncertainty on what level of funding the Board and Electoral Area directors were contemplating, staff requested further clarification at the January 4, 2018 Electoral Area Advisory Committee meeting. A discussion occurred on: possible funding amounts; the cost to administer such a fund; as well as who may be interested in participating.

This report dated March 14, 2018 from the Planning Department is in response to the January 17, 2018 Board resolution:

That staff be directed to report back to the Electoral Area Advisory Committee regarding options and costs for funding amounts to establish a Conservation Fund Service, taking in consideration

the Electoral Areas as the only participants, and options and costs considering participation of other Regional District of North Okanagan jurisdictions.

Planning staff have been working with the Finance Department on possible funding scenarios which include the Electoral Areas only as well as the region as a whole at various tax rates:

	Tax Requisition (per \$1000 of taxable land and improvements)		
	\$0.01	\$0.02	\$0.04
Total Collected – Electoral Areas Only	\$39,000	\$78,000	\$156,000
Cost for the Average Residential Property Assessed at \$358,000	\$3.58	\$7.16	\$14.32

	Tax Requisition (per \$1000 of taxable land and improvements)		
	\$0.01	\$0.02	\$0.04
Total Collected - all municipalities & EAs	\$201,000	\$402,000	\$804,000
Cost for the Average Residential Property Assessed at \$405,000	\$4.05	\$8.10	\$16.20

As noted in the initial discussions and presentations made by both Mr. Boswell and Ms. White, a conservation fund is a local government service that is funded through a dedicated tax or fee, held and overseen by the local government, and earmarked for the specific purpose of undertaking projects that support environmental conservation and community sustainability. Conservation funds give people the opportunity to support local conservation goals and gives residents the opportunity to invest in protecting the environment that sustains them, preserving natural areas and creating a legacy of community health and sustainability. By taking the initiative to establish conservation funds, local governments are recognizing the importance of biodiversity and a healthy natural world for maintaining human health and community resilience.

There are three areas in BC that have established a regional conservation fund focused on broad conservation objectives; the Regional District of East Kootenay, the Regional District of Central Kootenay, and the Regional District of Okanagan - Similkameen.

Alternatives. Several BC local governments have set up parkland acquisition funds, which are an important way for local governments to achieve amenity and greenspace objectives. The RDNO has explored this concept of a service to **acquire** regionally significant properties and determined:

That a Regional Parkland Legacy Fund/Service not be pursued at this time based on the lack of region wide support.

It is important to note that conservation funds have a broader set of objectives and support a more diverse range of environmental conservation and sustainability actions in a region than land acquisition alone.

LEGAL/STATUTORY AUTHORITY:

The *Local Government Act* gives regional districts authority to establish services including a conservation fund service to benefit:

- The entire region (all electoral areas and municipalities), or

- All electoral areas (no municipalities), or
- Some electoral areas and some municipalities (e.g., a sub-regional service), or
- Portions of one or more electoral areas, or
- Any combination of electoral areas (or portions thereof) and/or municipalities.

First Nation governments and local governments can partner to deliver shared services; establishing a regional conservation fund may provide an opportunity for such collaboration. Many First Nation governments in Canada have enacted laws imposing direct taxes within their reserves or settlement lands. The powers for enacting real property tax bylaws are contained in both the *Indian Act* and the *First Nations Fiscal Management Act*.

LEGAL/STATUTORY PROCEDURAL REQUIREMENTS:

A conservation fund as a regional or sub-regional service must be established by bylaw, and approval of the electors must be obtained. A conservation fund can be established through elector assent or by an alternative approval process. Two of three existing regional conservation funds in BC were established using elector assent and the other used the alternative approval process. If the proposed regional district conservation fund service includes a municipality as a participating area, the council can give participating area approval by consenting on behalf of their electors to adoption of the service establishment bylaw. This is done by the council adopting a resolution at an open council meeting and then notifying the regional district board of its consent.

The general outline of the conservation fund establishment process is as follows:

- Determine the participating areas.
- Draft the establishing bylaw.
- Work with the inspector of municipalities to ensure the bylaw is acceptable.
- Obtain three readings by the regional district board.
- Submit the draft bylaw to the inspector of municipalities for approval.
- Conduct an elector approval process.
- Move to adopt the bylaw at the regional district board.

PUBLIC CONSULTATION:

Depending on the participants and financial contributions that are being considered for the fund, the Board may wish to undertake public consultation to determine the:

- level of support within the communities for fund establishment;
- environmental values and project categories that the public supports being covered by the fund; and
- level of taxation (total amount of money they are willing to contribute to the fund).

The Okanagan Collaborative Conservation Program (OCCP) has indicated they have \$60,000 (from an anonymous donor and the Real Estate Foundation) to assist with a public consultation process if so desired by the Board of Directors.

EXISTING POLICY:

The North Okanagan is home to many diverse ecosystems, including wetlands, forests, lakes, rivers and grasslands. These ecosystems and the features they contain are valuable in their own right. They also provide important benefits including filtering pollutants, preventing erosion and controlling crop pests while providing natural habitat for our plant and animal species. The Regional Growth Strategy, Member Municipalities and Electoral Area Official Community Plans contain various goals and policies supporting the sustainability of our natural environment. The establishment of a regional conservation fund would assist in protecting our parks, natural areas and open spaces (RGS Goal ENV-2) and could

assist with all fifteen strategies (ENV-2.1-ENV-2.15). In addition there would be the potential to act on other goals and strategies within Water Stewardship (RGS Goals WS-1 & 2).

PERSONNEL/BUDGETARY CONSIDERATIONS:

The establishment of the South Okanagan and Kootenay Conservation funds were supported by the regional conservation programs in those areas. The OCCP is willing to take a lead role in assisting with the establishment of a North Okanagan Conservation Fund which would include:

- **Designing the conservation fund.** A conservation vision and terms of reference would provide a road map for the design and implementation of the fund. Where conservation funds exist in B.C., monies are allocated for projects through an application-based system to eligible recipients. Each fund has its own terms of reference, which detail such items as goals, governance, administration, timelines, funding, and project eligibility.
- **Administering the Fund.** It is important to note that the OCCP will assist with the first year of fund establishment with no financial contribution required however it takes the equivalent of a 1/3 FTE to administer and facilitate the fund with community partners, the technical committee, RDNO staff and the Board. This would cost approximately \$25,000 to \$30,000 per year after the initial year of fund establishment.
 - Fund Administration would include public outreach regarding eligible recipients and projects, public relations as well as the review, recommended approval of grants based on the applications received, and follow up of awarded projects.

If the conservation fund is smaller than \$50,000, the RDNO would likely have to manage the fund internally within an existing functional area (which would need to be determined).

Fund administration would require significant staff time and coordination. These costs would be funded through the tax requisition related to the conservation fund. Whether the funds raised are \$50,000 or \$402,000, the same amount of effort and staff time will be required to manage, publicize and award the grants. As such, a small conservation fund would have significant administration and overhead costs relative to the amount of projects to be awarded, and would not be an effective use of resources. A larger conservation fund would provide improved economies of scale to cover the cost of administering the fund.

In either scenario if a regional conservation fund is established and managed by the RDNO or the OCCP, the Regional District North Okanagan would retain direct control of financial administration and decision-making.

Although the OCCP has volunteered to assist with the establishment of a regional conservation fund, there will still need to be a point person from the regional district. It is anticipated the RDNO staff contact would commit approximately 35 hours in 2018 for project oversight and collaboration.

SUMMARY:

In July 2017 the Electoral Area Advisory Committee requested that the Okanagan Collaborative Conservation Program and South Okanagan Similkameen Conservation Program be invited to present to the Board of Directors on the establishment of a regional conservation fund. As a result of the presentation the Board directed staff to report back to the Electoral Area Advisory Committee in regard to the establishment of a regional conservation fund in the North Okanagan. Upon further discussion at the Electoral Area Advisory Committee it was requested that options and costs for funding amounts to establish a Conservation Fund Service be provided. In addition staff were requested to take into consideration the Electoral Areas as the only participants, and options and costs considering participation of all Regional District of North Okanagan jurisdictions. This report outlines: funding

options, the purpose for establishing a conservation fund; statutory authority; procedural requirements; existing policies; and personnel/budgetary considerations.

Submitted by:



Laura Frank, MCIP, RPP
Regional Planning Projects Manager

Endorsed by:



Rob Smailes, MCIP, RPP
General Manager, Planning and Building

Approved for Inclusion:



David Seyell
Chief Administrative Officer

SOUTH OKANAGAN CONSERVATION FUND

CLEAN WATER
FRESH AIR
NATURAL SPACES



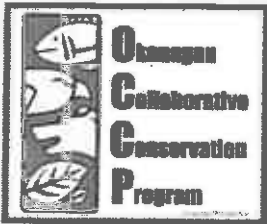
**Bryn White, Program Manager,
South Okanagan Similkameen Conservation Program**

For the North Okanagan Regional District
September 20, 2017



Conservation Partnerships

Multiple organizations working together in partnership to conserve biodiversity, fish and wildlife and their habitat in the North, Central and South Okanagan





Biodiversity Conservation Strategy for the Okanagan Region – prepared by SOSCP and OCCP.

Significant barrier: lack of local community resources for environmental conservation.

Key recommendation:

Establish local conservation funds to empower communities to address locally important priorities.

Proposal to establish a Local Conservation Fund



**CLEAN WATER
FRESH AIR
NATURAL SPACES**

“I grew up spending a lot of my childhood in the bush. I want to make sure that my grandkids can have those same wonderful experiences I did.”

Bruce Turnbull
Fisherman and photographer

Learn more at  SOlovethisplace.ca

**SOUTH OKANAGAN
CONSERVATION FUND**

Success! South Okanagan Conservation Fund Established December 2016



- RDOS Board established a sub-regional environmental conservation service (through bylaw) for the communities of Oliver/Penticton/Summerland and five South Okanagan Electoral Areas.
- Enables LG to requisition on average about \$10/household/year, for up to a maximum of \$450,000 per year in the service area for the purposes of protecting important environmental values.
- Funds are distributed through application based system. Supports projects and works that include water, environment, wildlife, land and habitat conservation efforts.



**CLEAN WATER
FRESH AIR
NATURAL SPACES**

**SOUTH OKANAGAN
CONSERVATION FUND**

Timing

- **Call for proposals - September**
- **RDOS administrative review- October**
- **Technical Advisory Committee review - October/November**
- **RDOS final approval - Early December**
- **Successful applicants advised and informed - January**
- **Contribution Agreements finalized - February**
- **Interim Report Due - September**
- **Final Report Due - February**
 - *~ Land Securement or covenant projects may be submitted any time of the year*

What is a conservation fund?

- Local government service that establishes a dedicated source of funding (i.e., tax or levy) for environmental conservation and community sustainability projects.
- The regional district or municipality that holds the conservation fund decides which projects to support according to criteria in the fund's terms of reference.
- Funds support local priorities, such as protecting clean water sources, conserving natural areas for people to enjoy, restoring fish and wildlife habitat, and protecting important ecosystems and the benefits they provide.
- Opportunity to leverage additional funds from outside the community is significant.



What is a conservation fund?



- Conservation funds are forward looking.
- They show that communities can work together to protect local environments and steward the natural resources that support their lives and livelihoods.
- Conservation funds empower communities to improve on past decisions and give future generations a leg-up.



Why establish a conservation fund?

Three Good Reasons

- **Ecosystem services** – A healthy environment provides us with services like clean water, pure air, flood and fire protection - and many other resources for our communities.
- **A healthy environment supports a healthy economy** – Robust property values; attractive, investable, and safe communities; tourism, agriculture, and other renewable resource sectors all rely on clean air and water, attractive vistas, a functioning environment, and natural places for people to enjoy.
- **Local control** – Funds are generated locally and directly benefit the community.



Conservation Funds Can:

- Protect the integrity of watersheds and aquifers; ensure clean, abundant water resources.
- Restore, enhance, and steward natural areas that provide services important to economies and communities like flood and fire protection.
- Build a network of parks, greenspace, and natural corridors for both people and wildlife.
- Enhance quality of life, tourism and recreation opportunities.
- Enhance the viability of local agriculture, food production, and other renewable resources.
- Protect ecosystems to sequester carbon and meet community climate action objectives.
- Pool financial resources and leverage significant funding from outside the community to achieve local goals.



Where does the money for a conservation fund come from?

- Environmental conservation can be considered a service just like planning, parks and recreation, libraries, sewer, and water
- A conservation fund can be financed through property value or parcel levy, local area service tax or fees



Who holds & manages the conservation fund?

- Motivation to pursue the fund can come from a regional district, municipality, community group, land trust or other non-government organization.
- The regional district or municipality collects monies for the fund, and retains all responsibility and decision making for the distribution of the funds.
- Other organizations, a non-profit group or partnership, for example, may assist with other aspects of fund management.



What types of projects could be eligible for funding?



- Project types will vary from region to region depending on conservation goals and priorities
- Criteria and evaluation process should be established and specified in a terms of reference
- Regional goals and priorities can be determined through public opinion polling or may have already been identified through an official community plan or parks master plan, or sustainability planning process.



How is a conservation fund established by a municipality?

- Municipalities can collect levies on property for municipal conservation funds.
- Providing a service, such as a conservation fund, is at the discretion of council and no approval need be sought from the electors to establish the service (under section 8(2) of the *Community Charter*)



How is a conservation fund established by a regional district?

- Regional district boards must adopt an establishing bylaw to create a service (under the *Local Government Act*)
- In most cases, approval must be obtained through assent of the electors (i.e. Referendum), alternative approval process or consent on behalf of municipal participating area
- There are examples of collaboration amongst regional districts and municipalities to establish regional conservation funds.



Who else has done this?



Columbia Valley: (Sub-Regional Conservation Fund) est. 2008

Funded 70 projects totaling nearly
\$1.2 million (2010-2017).



Kootenay Lake: (Sub-Regional Conservation Fund) est. 2014

Funded 10 projects totaling just over \$108,000
(2016-2017).



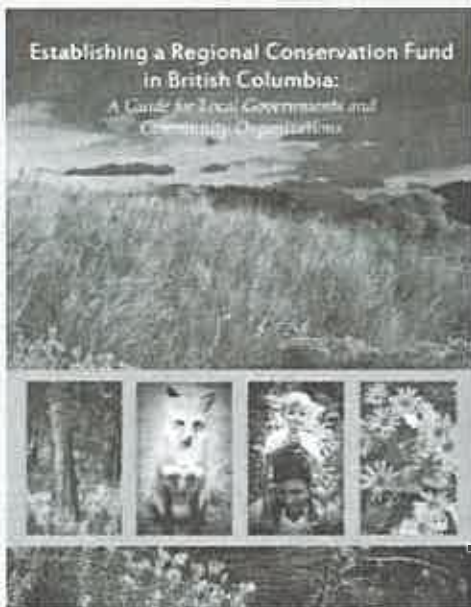
South Okanagan: (Sub-Regional Conservation Fund) est. 2016

First application round opened Sept 1



Where do I learn more?

soscp.org/conservationfundguideforbc



Conservation Partnership in your area
Okanagan Collaborative Conservation
Program – Scott Boswell.

Contacts in the Columbia Valley, Kootenay
Lake and South Okanagan who have been
there before – we are eager to support
your success.



Agenda

THE CORPORATION OF THE CITY OF ENDERBY

MEMO

To: Tate Bengtson, Chief Administrative Officer
From: Kurt Inglis, Planner and Deputy Corporate Officer
Date: May 30, 2018
Subject: Regulatory Framework for Non-Medical Cannabis

RECOMMENDATION

THAT Council maintains the existing Zoning Bylaw provisions for the retail of non-medical cannabis;

AND THAT Council maintains the existing Business License and Regulation Bylaw provisions for the retail of non-medical cannabis and directs Staff to monitor relative to Provincial regulatory changes and enforcement;

AND THAT Council directs Staff to prepare an application procedure for applicants of a Provincial Non-Medical Cannabis Retail Licence;

AND THAT Council directs Staff to prepare an amendment to the City of Enderby Fees and Charges Bylaw No. 1479, 2010 to include an application fee of \$1,000 for Non-Medical Cannabis Retail Licence Referral Applications, which would cover the costs associated with preparing a report and advertising for a public hearing;

AND THAT Council directs Staff to prepare an amendment to the City of Enderby Public Spaces Bylaw No. 1604, 2016 to regulate the smoking and vaping of cannabis in public spaces in the same manner as the consumption of alcohol;

AND FURTHER THAT Council directs Staff to prepare a permitting system for the personal cultivation of cannabis which aims to ensure public safety, prevent nuisances, and preserve property values and building safety.

BACKGROUND

Legalization of the retail of non-medical cannabis is now on the horizon. Federal and provincial governments have released their legislative frameworks, although it appears that there remain a number of moving targets and policy gaps, as well as serious implementation questions. Staff are seeking policy direction from Council about regulating non-medical cannabis at the local level.

The following figure from the Federation of Canadian Municipalities' *Municipal Guide to Cannabis Legalization* illustrates the roles and responsibilities of the different levels of government for regulating the retail of non-medical cannabis:

Summary of possible roles and responsibilities

Federal	Provincial/Territorial	Municipal
Cannabis production Cannabis possession limits Trafficking Advertising Minimum age limits (18) Oversight of medical cannabis regime, including personal cultivation registration	Wholesale and retail distribution of cannabis Selection of retail distribution model Workplace safety Discretion to set more restrictive limits for: <ul style="list-style-type: none"> • minimum age for consumption • possession amount 	Zoning (density, location) Retail locations Home cultivation Business Licensing Building Codes Nuisance Smoking restrictions Odours Municipal workplace safety Enforcement Regulations around public consumption Personal possession Municipal cost considerations related to local policing

Federal Regulations

On April 13, 2017, the federal government tabled two bills to legalize and regulate cannabis in Canada:

- Bill C-45 - An Act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts (the “*Cannabis Act*”); and
- Bill C-46 - An Act to amend the Criminal Code (offences relating to conveyances) and to make consequential amendments to other Acts.

The *Cannabis Act* regulates the production, distribution, sale, cultivation, and possession of cannabis throughout the country. Bill C-46 addresses offences relating to cannabis trafficking, and strengthens impaired-driving measures.

Under the *Cannabis Act*, the federal government is responsible for:

- Individual adult possession of cannabis, including determining the maximum allowable cannabis possession and home cultivation quantities;
- Promotions and advertising, including regulating how cannabis or cannabis accessories can be promoted, packaged, labelled and displayed;
- Licensing commercial cannabis production;

- Industry-wide regulations on the quantities, potency, and ingredients in the types of products that will be allowed for sale;
- Registration and tracking of cannabis from seed to sale;
- Minimum conditions for provincial/territorial distribution and retail sale, and allowing for the federal government to license distribution and sale in any province/territory that does not enact such legislation;
- Law enforcement at the border; and
- Criminal penalties for those operating outside the legal system.

It should be noted that the current program for accessing cannabis for medical purposes would continue under the existing *Access to Cannabis for Medical Purposes Regulations* regime, which would remain operative.

Provincial Regulations

Under the federal legislation, the provinces and territories license and oversee the distribution and sale of cannabis.

On April 26, 2018, the Province of British Columbia introduced the *Cannabis Control and Licensing Act* and *Cannabis Distribution Act*, as well as amendments to the *Motor Vehicle Act*.

The proposed *Cannabis Control and Licensing Act* will:

- Set 19 as the minimum age to purchase, sell or consume cannabis in BC;
- Allow adults to possess up to 30 grams of cannabis in a public place;
- Prohibit cannabis smoking and vaping everywhere tobacco smoking and vaping are prohibited, as well as at playgrounds, sports fields, skate parks, and other places where children commonly gather;
- Prohibit the use of cannabis on school properties and in vehicles;
- Authorize adults to grow up to four cannabis plants per household, but the plants must not be visible from public spaces off the property, and home cultivation will be banned in homes used as day-cares;
- Establish a cannabis retail licensing regime similar to the current mixed public/private regime for liquor;
- Provide enforcement authority to deal with illegal sales; and
- Create a number of provincial cannabis offences which may result in a fine ranging from \$2,000 to \$100,000, imprisonment of 3 to 12 months, or both.

The *Cannabis Distribution Act* places the Province in charge of non-medical cannabis wholesale distribution, and establishes government-run retail outlets and online sales.

Changes to the *Motor Vehicle Act* will allow for a 90-day Administrative Driving Prohibition to be placed on drivers reasonably believed to be under the influence of drugs, as well as a zero tolerance policy for drivers in the Graduated Licensing Program who are found with THC in their systems.

The wholesale distribution of non-medical cannabis will be solely through the Liquor Distribution Branch (LDB). The LDB will be the operator of government-run retail stores and the Liquor Control and Licensing Branch (LCLB) will be responsible for licensing and monitoring the retail sector using a mixed public/private model. The rules governing retail stores will be similar to those currently in place for liquor. The Province has stated that it will launch an online application portal for individuals and businesses who are interested in applying for a Provincial Non-Medical Cannabis Retail Licence. The Province will refer applications to the applicable local government who can then decide whether they wish to have the non-medical cannabis retail store in their community. *For the Province to issue a Non-Medical Cannabis Retail Licence, applicants must have the support of the local government in the community where the proposed store would be located.*

Role of Local Government

The *Local Government Act* and *Community Charter* give authority to local government to regulate matters such as land use, business licensing, public spaces, and nuisances. Given this, local government plays a role in regulating the retail of non-medical cannabis and addressing consequences associated with its use.

The City of Enderby has regulations in place for the retail of non-medical cannabis which were implemented in 2016/2017 in anticipation of cannabis legalization.

The regulatory framework that Enderby implemented is summarized below.

Zoning

The City's Zoning Bylaw regulations for the retail of non-medical cannabis are summarized as follows:

- 'Marihuana-Related Business' is defined as: *a business, not-for-profit, charity, cooperative, shared economy venture, or other entity which uses a premises for the consumption, display, storage, sale, trade or other exchange of marihuana or marihuana-containing products, including but not limited to dispensaries and compassion clubs.*
- Marihuana-Related Business may only occur when the use is lawful at the Provincial and Federal level.
- Marihuana-Related Business is a permitted use within all commercial and industrial zones.
- Marihuana-Related Business is not permitted within 100 m of any residential zone, daycare facility, preschool, playground, community centre, school, public park, civic or religious institution or any use catering to individuals under the age of 18.
- If a potential Marihuana-Related Business is not able to meet the setback requirement, they may make application for a Zoning Text Amendment. The Zoning Text Amendment triggers a

Staff Report and public hearing so those who feel they are affected by the application may make their views known to Council. Council then considers these applications on a case-by-case basis.

Staff are recommending that Council maintains the existing Zoning regulations for the retail of non-medical cannabis as it communicates the City's preference for areas where these types of uses should be focused, without closing the door on other locations provided a Zoning Text Amendment is adopted. Given the nature of the Provincial application process, the added time and cost of a Zoning Text Amendment will be negligible for applicants.

Should Council wish to strengthen the regulations, possible avenues for doing so include:

- Requiring minimum distances between non-medical cannabis retail operations;
- Capping the number of non-medical cannabis retail operations; and/or
- Banning non-medical cannabis retail operations.

Given the existing Zoning Bylaw regulations in conjunction with the Provincial application process, which affords considerable discretion to Council and a reasonable public input opportunity, Staff suggest that the status quo is adequate.

Business Licensing

The City's Business License and Regulation Bylaw provisions for the retail of non-medical cannabis are summarized as follows:

- A Marihuana-Related Business is required to obtain an annual Business License and pay the annual application fee of \$5,000.
- At the Business License application stage, applicants must provide a security plan, proof of a security and fire alarm contract, and a police information check for the applicant/shareholders/on-site managers (a business license can be suspended or refused if any have a criminal history).
- A licensed Marihuana-Related Business must:
 - Install video surveillance cameras and a security/fire alarm system that is monitored by a licensed third party at all times;
 - Install and maintain an air filtration system that minimizes odour impacts; and
 - Keep marihuana and products securely locked in a safe on the premises when the business is not open to the public.
- A licensed Marihuana-Related Business must not:
 - Permit persons under the age of 19 on the premises, unless accompanied by a parent or guardian over the age of 19;
 - Operate between 7 pm and 8 am the following day;
 - Permit the consumption of any marihuana containing product on the premises;
 - Block the windows;

- Display items related to the consumption of marijuana in a manner which may be seen by a minor who is outside the premises;
- Advertise or promote the use of marijuana in any manner which may be seen or heard by a minor who is outside the premises; and
- Display that a sign that is visible from outside the premises except a sign which only contains alpha-numeric characters and the business name.

At this time, the Province has only released the *legislative* framework for the retail of non-medical cannabis and has not released the associated *regulations*. Although the legislative framework gives the Province the authority to implement regulations which address matters such as security, record-keeping, signs, storage of products, etc., such regulations have not been released and consequently there is not yet any indication how these regulations will function in practice. Given this, Staff are recommending that Council maintains the existing Business License and Regulation Bylaw provisions for the retail of non-medical cannabis and directs Staff to monitor relative to Provincial regulatory changes and enforcement.

Areas Requiring Further Policy Direction

Although the City's Zoning Bylaw and Business License and Regulation Bylaw have formed a local regulatory framework for the retail of non-medical cannabis, there are still a number of topics that require policy consideration, including the processing of applications for a Provincial Non-Medical Cannabis Retail Licence, consumption of cannabis in public spaces, and personal cultivation of cannabis.

1. Processing of Applications for a Provincial Non-Medical Cannabis Retail Licence

As previously mentioned, applications for a Provincial Non-Medical Cannabis Retail Licence will be referred to local governments for consideration and the local governments must provide an opportunity for public input when the application is being considered. Staff feel that treating an application for a Non-Medical Cannabis Retail Licence like a typical land use application (i.e. rezoning, Zoning Text Amendment, etc.) would be appropriate, with Staff to prepare a report and the City to hold a Public Hearing which is advertised in advance. Staff are recommending that applicants for a Non-Medical Cannabis Retail Licence be required to submit to the City a Non-Medical Cannabis Retail Licence - Referral Application and pay a \$1,000 application fee, which would cover the costs associated with Staff preparing a report and advertising for a Public Hearing. Given that this process would be almost identical to a Zoning Text Amendment process, Staff are recommending that applicants requiring a Zoning Text Amendment not be required to pay the associated Zoning Text Amendment application fee on top of the Referral Application fee, as there would be no significant incremental costs.

An example of how the proposed application intake process would operate is as follows:

- i. Applicant uses the Province's online application portal to submit an application for a Provincial Non-Medical Cannabis Retail Licence;

- ii. The LCLB refers the application to the City of Enderby for consideration (Province will not approve an application without local government support);
- iii. Applicant submits to the City a Non-Medical Cannabis Retail Licence - Referral Application and pays the associated application fee;
- iv. Staff prepare a report and if necessary, a Zoning Text Amendment Bylaw;
- v. Staff advertise a Public Hearing regarding the proposed application for a Non-Medical Cannabis Retail Licence (and Zoning Text Amendment Bylaw, if applicable);
- vi. A Public Hearing is held to so those who feel they are affected by the application (and the Zoning Text Amendment Bylaw, if applicable), can make their views known to Council;
- vii. Council considers the application for a Non-Medical Cannabis Retail Licence (and Zoning Text Amendment Bylaw, if applicable).

2. Consumption of Cannabis in Public Spaces

Under the *Cannabis Control and Licensing Act*, the smoking and vaping of cannabis are prohibited everywhere tobacco smoking and vaping are prohibited (i.e. enclosed public buildings or within 6 metres of a window, door or air intake of a public place or workplace), as well as at playgrounds, sports fields, skate parks, and other places where children commonly gather.

Council may wish to consider strengthening the provincial regulations related to the consumption of cannabis in public spaces. Although smoking or vaping cannabis is similar to tobacco, cannabis impairs an individual; given this, one could argue that the smoking or vaping of cannabis is closer in nature to the consumption of alcohol. Staff are recommending that Council supports regulating the consumption of cannabis in public spaces as it does with alcohol, which would allow for it only in designated areas subject to permitting. This approach promotes safety and respect in public spaces while still providing an opportunity for the consumption of cannabis in certain circumstances, such as a special event for which permission may be granted on a case-by-case basis.

3. Personal Cultivation of Cannabis

Under the *Cannabis Control and Licensing Act*, adults are permitted to grow up to four cannabis plants in a 'dwelling house' as long as the adult ordinarily resides at the dwelling house, the plants are not visible from public spaces off the property, and cultivation is not occurring in a home used as a day-care. The Act defines a 'dwelling house' as:

- a) *all or part of a building or structure that the adult keeps or occupies as a permanent or temporary residence and the land under the building or structure, including*

(i) land that is contiguous to the building or structure and that the adult may use in conjunction with the building or structure, and

(ii) a building or structure on land referred to in subparagraph (i), or

b) a unit that is designed to be mobile and to be used on a permanent or temporary basis as a residence and that the adult uses as a permanent or temporary residence, including

(i) land that is contiguous to the unit and that the adult may use in conjunction with the unit, and

(ii) a building or structure on land referred to in subparagraph (i).

Staff anticipate that there will be a high demand for the personal cultivation of cannabis on private property which could potentially result in impacts on several fronts including nuisance, public health, property values and building safety, and crime. Given this, it is recommended that Council directs Staff to report back with a permitting system for personal cultivation which may help to address these impacts.

Respectfully Submitted,



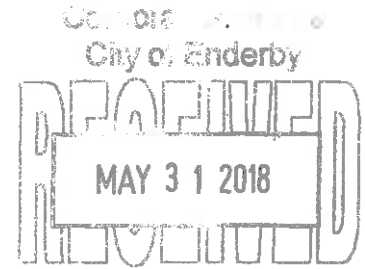
Kurt Inglis
Planner and Deputy Corporate Officer

Agenda

Enderby & District Lions Club
Box 228
Enderby B.C. V0E 1V0
Serving since 1947
Meeting nights: 2nd & 4th Mondays



May 30, 2018



Mayor & City Council of Enderby
City Hall
Enderby BC

We the Enderby & District Lions Club respectfully request permission to hold a Beer Garden at the Lions Gazebo from June 29 to July 2, 2018.

DATE	START	END
JUNE 29	1 PM	1 AM
JUNE 30	11 AM	1 AM
JULY 1	11 AM	1 AM
JULY 2	11 AM	7 PM

SINCERELY,

WILLEM ROELL

PRESIDENT.

*Please mail reply to
John Paveluk
412 Keldovan Ave
Enderby BC V0E1V2*