

## PLANNING AND COMMUNITY DEVELOPMENT COMMITTEE

**Thursday, January 9, 2020**

**SCRD Boardroom, 1975 Field Road, Sechelt, B.C.**

# AGENDA

**CALL TO ORDER**                      **9:30 a.m.**

## AGENDA

- ## 1. Adoption of Agenda

## PRESENTATIONS AND DELEGATIONS

2. Nicole Huska, Agent, Secret Cove Heights Development Verbal  
Regarding Halfmoon Bay Official Community Plan Amendment Bylaw No. 675.3  
and Zoning Amendment Bylaw No. 310.174 (Secret Cove Heights Development)

## REPORTS

- |     |   |                         |
|-----|---|-------------------------|
| 3.  | Senior Planner – Halfmoon Bay Official Community Plan Amendment Bylaw No. 675.3 and Zoning Amendment Bylaw No. 310.174 (Secret Cove Heights Development) Options for Consideration<br><b>Electoral Area B (Rural Planning) (Voting – A, B, D, E, F)</b> | Annex A<br>pp 1 - 35    |
| 4.  | General Manager, Planning and Community Development – Active Transportation Memorandum of Understanding (Ministry of Transportation and Infrastructure) – Further Consideration<br><b>Bicycle &amp; Walking Paths (Voting – A, B, D, E, F)</b>          | Annex B<br>pp 36 - 51   |
| 5.  | Planner – Provincial Referral CRN000090/91 South Sakinaw Roads, Provincial File 2412156 and 2412244 (OTL Road Company Ltd) – Electoral Area A<br><b>Electoral Area A (Rural Planning) (Voting – A, B, D, E, F)</b>                                      | Annex C<br>pp 52 - 89   |
| 6.  | Parks Superintendent – Dakota Ridge Volunteer Kiosk Donation<br><b>Community Parks (Voting – A, B, D, E, F)</b>   | Annex D<br>pp 90 - 94   |
| 7.  | General Manager, Corporate Services / Chief Financial Officer – Short Term Borrowing for Vaucroft Capital Works<br><b>Ports Services (Voting – B, D, E, F)</b>  | Annex E<br>pp 95 - 98   |
| 8.  | Manager, Solid Waste Programs - Request for Proposal (RFP) 1935005 Contract Award Curbside Collection of Food Waste<br><b>Regional Solid Waste (Voting – All)</b>   | Annex F<br>pp 99 - 108  |
| 9.  | Manager, Solid Waste Programs - Request for Proposal (RFP) 1935004 Contract Award Green and Food Waste Processing Services<br><b>Regional Solid Waste (Voting – All)</b><br><b>Refuse Collection (Voting – B, D, E, F)</b>                              | Annex G<br>pp 109 - 112 |
| 10. | Corporate Officer – Proposed 2020 Association of Vancouver Island and Coastal Communities (AVICC) Resolutions<br><b>(Voting – A, B, D, E, F)</b>  | Annex H<br>pp 113 - 120 |

## **COMMUNICATIONS**

11. Paul Kamon, Executive Director, Sunshine Coast Tourism, dated December 13, 2019

Annex I  
pp 121 - 177

Regarding Request for Letter of Approval for continuation of Municipal Regional District Tax (MRDT) and Request for Letter of Support for Sunshine Coast Tourism's Online Accommodation Platform (OAP) Funding Guidelines

## **NEW BUSINESS**

## **IN CAMERA**

## **ADJOURNMENT**

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Planning and Community Development Committee – January 9, 2020

**AUTHOR:** Yuli Siao, Senior Planner

**SUBJECT:** Halfmoon Bay Official Community Plan Amendment Bylaw No. 675.3 and Zoning Amendment Bylaw No. 310.174 (Secret Cove Heights Development) Options for Consideration

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### RECOMMENDATIONS

1. **THAT the report titled Halfmoon Bay Official Community Plan Amendment Bylaw No. 675.3 and Zoning Amendment Bylaw No. 310.174 (Secret Cove Heights Development) Options for Consideration be received;**
  2. **AND THAT Halfmoon Bay Official Community Plan Amendment Bylaw 675.3 and Zoning Amendment Bylaw 310.174 be abandoned.**
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### BACKGROUND

On March 28, 2019, the SCRD Board adopted Resolution 090/19 as follows;

**Recommendation No. 3** *Halfmoon Bay OCP Amendment for Remainder District Lot 2392 (Secret Cove Heights Development)*

THAT the report titled Introduction of Proposed Halfmoon Bay Official Community Plan Amendment for Remainder District Lot 2392 (Secret Cove Heights Development) – Electoral Area B be received;

AND THAT the staff report be referred to the Halfmoon Bay Advisory Planning Commission for comment and all other Electoral Area Advisory Planning Commissions for information;

AND FURTHER THAT the applicant, with the support of SCRD staff, hold a Public Information Meeting regarding the application, proposed Rural Dynamic Zone and implications.

Pursuant to the above recommendation, the introductory staff report of the proposed Secret Cove Heights development was referred to all Advisory Planning Commissions, and a public information meeting was held on April 29, 2019. The applicant also conducted additional consultations. Considering input received from the referral and consultation process, the applicant has submitted a revised development proposal. The Applicant's consultation summary and revised proposal are provided in Attachment C.

This report analyzes consultation comments and the revised proposal, and provides two options for consideration of the proposed bylaws. A location map and an application summary are provided below.

Figure 1 – Location Map



Table 1 - Application Summary

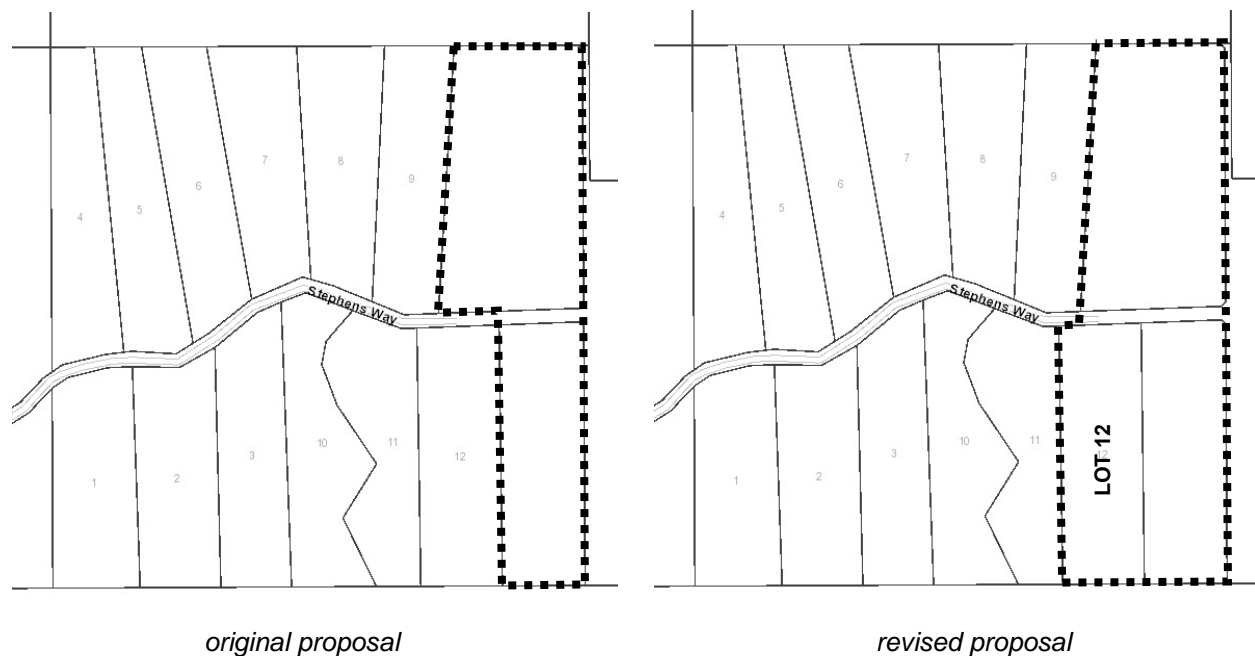
Owner / Applicant:	Secret Cove Heights Development Inc.	
Legal Description:	Lot 12 District Lot 2392 Group 1 New Westminster District Plan BCP36834, District Lot 2392 Group 1 New Westminster District except Plans BCP13284 and BCP36834	
Electoral Area:	Halfmoon Bay	
Parcel Area:	18.8 ha	
OCP Land Use:	Existing – Resource	Proposed – Rural Residential
Land Use Zone:	Existing – RU2 (Rural Two)	Proposed – RU2 (site specific use)
Subdivision District:	Existing - I (4 ha minimum)	Proposed – G1 (1 ha minimum)
Application Intent:	To amend the OCP and Zoning Bylaw to facilitate a subdivision	



### *Revised Proposal*

The purpose of the subject OCP and zoning bylaw amendment application is to facilitate a future subdivision of the subject lands.

With the inclusion of Lot 12 to the west, the subject lands in the revised proposal increase from 14.2 ha to 18.8 ha, and the number of lots proposed for a future subdivision increases from 12 to 15, with each lot approximately 1 hectare.



The proposed site specific uses described as the “Dynamic Rural Zone” remain similar to the previous proposal. Such uses are a combination of some attributes from the Rural Residential Zone and the Agricultural Zone, with additional provisions to expand parcel coverage from 15% to 35% to support extended home business and increase the allowable number of employees to four. The applicant also proposes to limit residential development on each new lot to one principal dwelling plus one auxiliary dwelling, and limit the floor area of the principal dwelling to 297 m<sup>2</sup> (3200 ft<sup>2</sup>) and the auxiliary dwelling to 111 m<sup>2</sup> (1200 ft<sup>2</sup>) to prevent over-sized estate homes. Details of the proposed zoning provisions can be found in the Zoning Amendment Bylaw in Attachment B.

### *Preliminary Public Consultation*

After the introduction of the previous proposal to the Planning and Community Development Committee in March 2019, the proposal was presented by the applicant to all five Advisory Planning Commissions, the Sechelt Rotary Club, the Gibsons Fuse Work Hub, the Sunshine Coast Regional Economic Development Organization chair and executive director, and the Halfmoon Bay / Pender Harbour Self-Employed Women’s Network Meetup Group. The applicant also conducted an on-line poll. The responses to the proposal are mixed.

As shown below, the APCs’ responses to the proposal are diverse. While the Halfmoon Bay APC rejected the proposal within their jurisdiction, other electoral area APCs were either

indifferent to the development outside of their jurisdiction, or showed some level of interest or support for further exploring the proposed development concept.

#### **APC Feedback Summary**

Egmont / Pender Harbour APC	This is an Area B APC matter and the APC will withhold commenting until further information and other comments are received.
Halfmoon Bay APC	The APC supports Option 3 in the staff report to 'refuse the OCP amendment and rezoning as proposed'.  SCRD to provide more context for the proposed Dynamic Rural Zoning by defining, more specifically, what the rural dynamic zone is to be and where it may be applied throughout the Sunshine Coast.
Roberts Creek APC	The APC recommends that the Dynamic Rural Zone would be a useful zone if it had suitable restrictions for undesirable uses, such as short-term rentals.
Elphinstone APC	The APC recommends support for option 2, to proceed with the Application as proposed, for the following reasons: <ul style="list-style-type: none"> <li>• The APC supports looking into and exploring the idea and how it would work; there is a need to experiment and be open to new ways of development that support the community.</li> <li>• Support of adjacent neighbours.</li> </ul>
West Howe Sound APC	The APC would be interested in hearing what Halfmoon Bay APC says about the proposal before making a recommendation.

Nine members of the public attended the public information meeting held in April 2019, including two neighbouring residents and three APC members. Four attendants expressed interest in the project and offered to write letters of support.

The applicant conducted an on-line poll of Sunshine Coast-based Facebook users. Responding to the question of what qualifies a parcel as a rural property, 44% of respondents consider a parcel a rural property when the size is over the threshold of 0.5 acre (0.2 hectare), 20% consider the threshold to be 1 acre (0.4 hectare), 9% consider it to be 5 acres (2 hectares), and 27% consider aesthetics and distance from amenities as the qualifiers for a rural property.

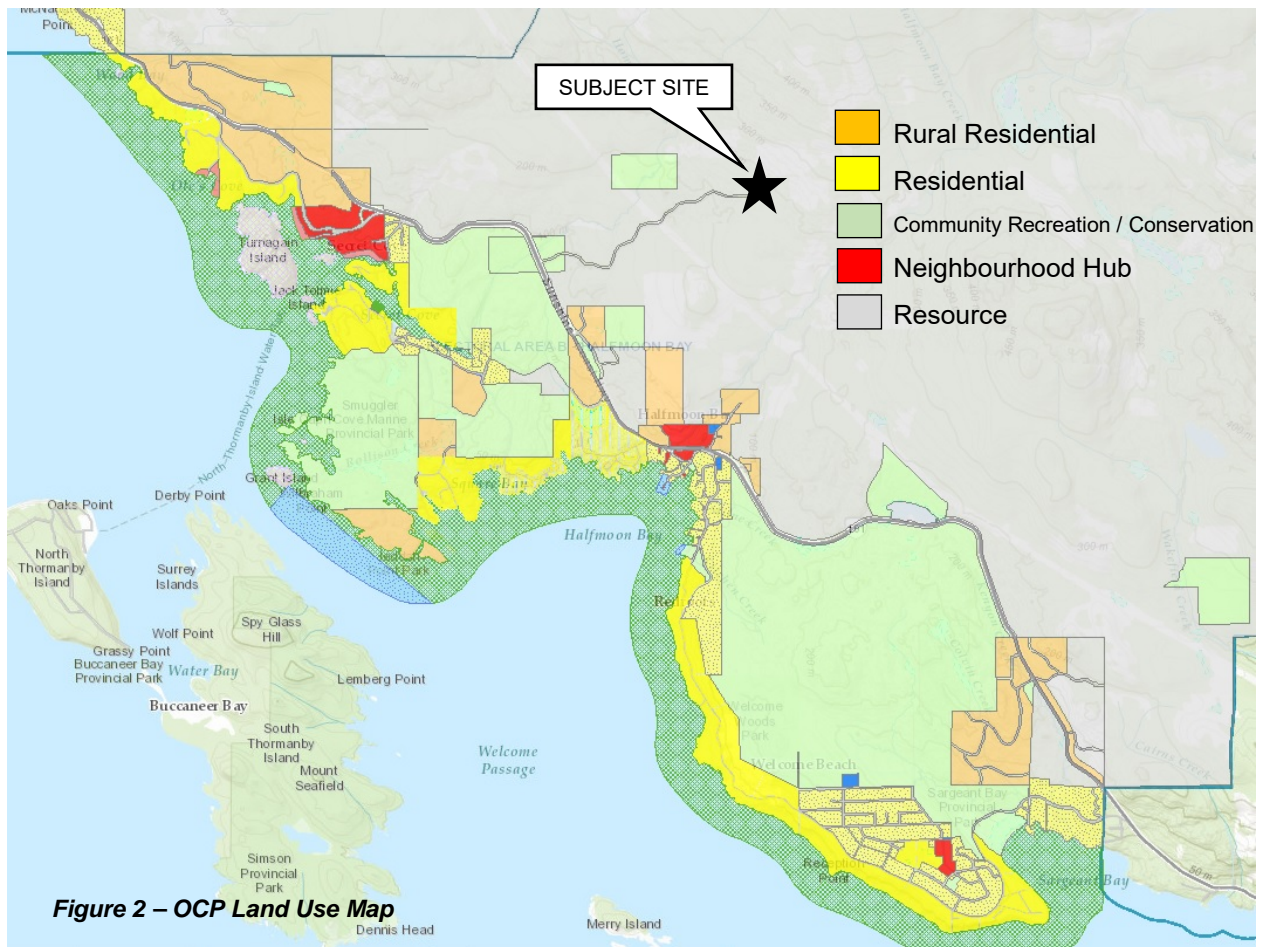
## **DISCUSSION**

### *Planning Analysis*

#### Halfmoon Bay Official Community Plan

The subject lands and surrounding areas are currently within the Resource land use designation of the OCP. Policies for the Resource designation state that despite the presence of some residential properties in this designation, the OCP's overall intent is to discourage further residential subdivision and maintain this land base for resource, conservation and recreation.

Most existing developments and settlements of Halfmoon Bay are confined to contiguous areas along the Sunshine Coast Highway, Redroofs Road and the shore line (Figure 2 below). The OCP gives priority to these existing areas when it comes to densification, because of readily available services, proximity to amenities, better land use efficiency and connectivity and existing unfilled subdivision capacity in these areas.



The proposed development site for Secret Cove Heights clearly does not conform to this land use pattern and policies of the OCP. The site is part of previous subdivisions that resulted in an isolated cluster of a dozen of 4-ha lots in this area. These lots are an anomaly to the OCP land use pattern. Subdividing these lots into smaller lots will further increase density and contradict OCP policies. The current lack of densification proposals in suitable areas as identified in the OCP does not support development in an area that is inconsistent with the OCP.

### Zoning Bylaw No. 310

The subject lands and surrounding areas are currently zoned RU2 (Rural Two). The proposed site specific uses are a mix of rural, residential, home-based business and agricultural uses which are similar to uses permitted in the RU2 zone. However, the proposed 1-ha minimum lot size for subdivision purpose is much smaller than the current requirement of 4 ha in Subdivision District I. Increasing subdivision density by reducing minimum lot size in this area is contradictory to OCP policies as discussed above.

### Technical Considerations

The subject area is not served by an SCRD water system and there are no plans to extend service to this area. To facilitate the proposed development, the applicant will need to investigate the feasibility of on-site water supply. On-site sewage treatment capacity to support the proposed density and uses will also need to be investigated.

Lee Creek traverses portions of the subject lands on both sides of the Stephens Way road allowance and connects to wetlands on both sides. A wetland is also located on both sides of the road allowance, with the majority being on the south. This area is unsuitable for development due to topographical, hydrological and environmental constraints. Prior to any proposed development in this area, environmental assessments must be completed to determine the extent of the wetland and necessary measures for protection.

Despite being within the SCRD refuse collection service area and fire protection area, the impact of the proposed density increase on these services will need to be further investigated if the application proceeds.

### Proposed Community Amenity Contribution

As part of the rezoning process, the applicant proposes to provide a park land contribution of approximately 6.45% of the subject lands which consists of mostly the wetland areas, as well as an additional cash contribution of \$46,000 for community amenities. If the application proceeds, the SCRD Parks Department will need to determine if the location, area and usability of the park is appropriate.

According to guidelines of the Ministry of Municipal Affairs and Housing, although obtaining community amenity contributions through a rezoning application is a common practice in many municipalities to provide public benefits and fund infrastructure and service, the contribution should not be perceived as a bargaining chip for approval of a rezoning application which can potentially increase the value of the land to be rezoned. Despite such contributions, decisions on a rezoning application should be primarily based on whether or not the rezoning is consistent with policies of the official community plan and implements the vision of the plan.

### Possible Alternative

As discussed in the previous introductory report of the proposal, a “density neutral” alternative might be explored. This approach is based on the idea of creating more parcels but approximating the total number of dwellings as permitted under current zoning regulations. For example, current zoning permits a subdivision of four 4-ha parcels out of the subject lands, with each parcel permitting 3 principal dwellings plus 1 auxiliary dwelling, yielding a total of 12 principal dwellings and 4 auxiliary dwellings. To approximate the total number of dwellings, with an imposed limit of 1 principal dwelling plus 1 auxiliary dwelling on each lot, a subdivision of the subject lands into ten 1.75-ha lots could yield a total of 10 principal dwellings and 10 auxiliary dwellings.

Despite the approximation on the total number of dwellings, this approach cannot be considered truly density neutral, as it is based on the assumption that 4 dwellings on a 4-ha lot would be fully developed, whereas in fact few of such large parcels on the Sunshine Coast have more than 2 dwellings.

It is recognized that the parcel size thresholds to determine the maximum number of dwellings in the current zoning bylaw was developed in the 1980s primarily based on septic field size requirement, rather than financial feasibility to develop a property to its full permitted potential (e.g. 3 to 4 dwellings) on a large parcel under a single ownership. This has resulted in fewer than 3 dwellings on many large parcels. Subdividing a large parcel to create multiple ownerships through a “density neutral” approach as discussed above could make it more affordable to own and develop a property. However, if this approach is applied broadly, it can significantly increase density in many areas and can have far reaching impacts on the community. These impacts have not been thoroughly studied. A change to density standards will require a comprehensive review of demographic trend, economic condition, environmental impact, servicing capacity and housing needs as well as community acceptance across the Sunshine Coast. Before this approach has been proven as a successful and effective densification strategy at a broad scale, using “density neutrality” sporadically as a localized alternative could only be a one-time temporary solution which does not truly reflect the spirit of the current Official Community Plan.

#### Options for Consideration

The proposal has the intention to enhance property affordability, offer home-based business opportunities and provide a community amenity contribution. It may be technically feasible, may have low demand on servicing and low impact on the environment, and it might approximate an experimental concept of “density neutrality”. Despite these potential merits, based on the above analysis, the proposal is fundamentally inconsistent with the vision and policies of the OCP. A development of this kind would be more suitable in rural residential areas designated by the OCP that are closer to existing settlement areas. Preliminary public consultation has not yielded clear and decisive community support for the project. Therefore staff do not support this zoning and OCP amendment proposal or a “density neutral” alternative. However, if the Board wishes to further consider the applicant’s proposal, it is transcribed into a draft OCP amendment bylaw and a zoning amendment bylaw (Attachments A and B) to facilitate the review process.

Possible options to consider:

**Option A: Abandon the Zoning Bylaw and OCP amendment as proposed**

The proposal is inconsistent with the Halfmoon Bay OCP, and is not supported by the Halfmoon Bay APC. The location of this proposal within the Resource designation is not appropriate for the proposed density increase that would potentially encourage residential sprawl away from suitable areas that are supported by the OCP.

Staff recommend this option.

**Option B: Proceed to First Reading of the Bylaws based on the revised proposal, and move forward on further public consultation and review**

Further public and agency input and more details of the proposal will be obtained as the review process unfolds. The Board can make further decisions on the application based on feedback.

### *Organization and Intergovernmental Implications*

If the application moves forward, SCRD will ensure a coordinated and cross-functional review which will be referred to the Halfmoon Bay Advisory Planning Commission, Halfmoon Bay Volunteer Fire Department, *shíshálh* Nation, Ministry of Transportation and Infrastructure and Vancouver Coastal Health Authority for comment, and consideration with respect to the SCRD's Financial Plan and Solid Waste Management Plan pursuant to the *Local Government Act* will be required.

### *Financial Implications*

There are no immediate financial implications associated with this report at this time. However, while the creation of additional parcels as proposed would increase the tax base, these parcels may also create demand for additional services and asset management costs that bear financial implications for the SCRD.

### *Communications Strategy*

If the Board chooses to proceed with First Reading of the Bylaws, it is recommended that they be referred to the following agencies:

- a) *shíshálh* Nation;
- b) Halfmoon Bay Advisory Planning Commission;
- c) Halfmoon Bay Volunteer Fire Department
- d) Ministry of Transportation and Infrastructure; and
- e) Vancouver Coastal Health

A second public information meeting may also be scheduled. If the application proceeds to second reading a Public Hearing would be held.

## **STRATEGIC PLAN AND RELATED POLICIES**

The OCP and bylaw amendment process supports the SCRD's strategy for community collaboration.

## **CONCLUSION**

Following the introduction of the Secret Cove Heights development proposal, the applicant has conducted consultation with the community and revised the proposal. Public feedback on the development concept was divergent and inconclusive. This report further analyses the revised proposal and a possible alternative approach, and determines that neither is congruous with the OCP.

Therefore staff recommend abandoning the bylaws as proposed. If the Board wishes to further consider the application, it may choose to proceed to first reading of the bylaws and further public consultation.



**ATTACHMENTS**

Attachment A – Draft Halfmoon Bay Official Community Plan Amendment Bylaw No. 675.3

Attachment B – Draft Zoning Amendment Bylaw No. 310.174

Attachment C – Applicant’s revised proposal and consultation summary

Reviewed by:			
Manager	X – D. Pady	Finance	
GM	X – I. Hall	Legislative	
I/CAO	X – M. Brown	Other	

**Attachment A Draft Halfmoon Bay Official Community Plan Amendment Bylaw 675.3**

**SUNSHINE COAST REGIONAL DISTRICT**

**BYLAW NO. 675.3**

A bylaw to amend the *Halfmoon Bay Official Community Plan Bylaw No. 675, 2013*

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The Board of Directors of the Sunshine Coast Regional District, in open meeting assembled, enacts as follows:

**PART A – CITATION**

1. This bylaw may be cited as *Halfmoon Bay Official Community Plan Amendment Bylaw No. 675.3, 2017*.

**PART B – AMENDMENT**

2. *Halfmoon Bay Official Community Plan Bylaw No. 675, 2013* is hereby amended as follows:

*Map 1: Land Use Designations* is amended by re-designating Lot 12 District Lot 2392 Group 1 New Westminster District Plan BCP36834 (PID 027-546-977) and District Lot 2392 Group 1 New Westminster District except Plans BCP13284 and BCP36834 (PID 015-420-248) from “Resource” to “Rural Residential”.

**PART C – ADOPTION**

READ A FIRST TIME this ##### DAY OF MONTH, YEAR

PURSUANT TO SECTION 475 OF THE LOCAL  
GOVERNMENT ACT CONSULTATION  
REQUIREMENTS CONSIDERED this

##### DAY OF MONTH, YEAR

READ A SECOND TIME this

##### DAY OF MONTH, YEAR

CONSIDERED IN CONJUNCTION WITH THE  
SUNSHINE COAST REGIONAL DISTRICT  
FINANCIAL PLAN AND ANY APPLICABLE  
WASTE MANAGEMENT PLANS PURSUANT TO  
THE LOCAL GOVERNMENT ACT this

##### DAY OF MONTH, YEAR

PUBLIC HEARING HELD PURSUANT TO THE  
LOCAL GOVERNMENT ACT this

##### DAY OF MONTH, YEAR

READ A THIRD TIME this

##### DAY OF MONTH, YEAR

ADOPTED this

##### DAY OF MONTH, YEAR

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Corporate Officer

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Chair

**Attachment B      Draft Zoning Amendment Bylaw 310.174**

**SUNSHINE COAST REGIONAL DISTRICT  
BYLAW NO. 310.174**

A bylaw to amend the *Sunshine Coast Regional District Zoning Bylaw No. 310, 1987*

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The Board of Directors of the Sunshine Coast Regional District, in open meeting assembled, enacts as follows:

**PART A – CITATION**

1. This bylaw may be cited as *Sunshine Coast Regional District Zoning Amendment Bylaw No. 310.174, 2017*.

**PART B – AMENDMENT**

2. *Sunshine Coast Regional District Zoning Bylaw No. 310, 1987* is hereby amended as follows:
  - a. *Schedule B* is amended by changing Subdivision District I to Subdivision District G1 for designating Lot 12 District Lot 2392 Group 1 New Westminster District Plan BCP36834 (PID 027-546-977) and District Lot 2392 Group 1 New Westminster District except Plans BCP13284 and BCP36834 (PID 015-420-248).
  - b. Insert the following subsection immediately after Section 1011.12:

1011.13 Notwithstanding any applicable provisions of this Bylaw, on Lot 12 District Lot 2392 Group 1 New Westminster District Plan BCP36834 and District Lot 2392 Group 1 New Westminster District except Plans BCP13284 and BCP36834:

    - (1) no more than one single family dwelling or one auxiliary dwelling shall be permitted;
    - (2) the gross floor area of a single family dwelling shall not exceed 297 m<sup>2</sup>;
    - (3) the gross floor area of an auxiliary dwelling shall not exceed 125 m<sup>2</sup>;
    - (4) the number of employees of a home occupation shall not exceed 4;
    - (5) parcel coverage of all buildings and structures except greenhouses shall not exceed 35%.
    - (6) parcel coverage of greenhouses shall not exceed 50%.

**PART C – ADOPTION**

READ A FIRST TIME this ##### DAY OF MONTH , YEAR

READ A SECOND TIME this ##### DAY OF MONTH , YEAR

PUBLIC HEARING HELD PURSUANT TO THE  
LOCAL GOVERNMENT ACT this ##### DAY OF MONTH , YEAR

READ A THIRD TIME this ##### DAY OF MONTH , YEAR

APPROVED PURSUANT TO SECTION 52 OF  
THE TRANSPORTATION ACT this ##### DAY OF MONTH , YEAR

ADOPTED this ##### DAY OF MONTH , YEAR

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Corporate Officer

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Chair



Secret Cove Heights Development Inc.  
238A - 8275 92nd Street  
Delta, BC V4G 0A4

October 8, 2019

Sunshine Coast Regional District  
Planning Department  
1975 Field Road  
Sechelt, BC V0N 3A1

Dear Planning Department:

**RE: Revised Application for Amendment to Halfmoon Bay Official Community Plan Bylaw No. 675.3 and Zoning Amendment Bylaw No. 310.174**

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Further to the original application by Secret Cove Heights Development Inc. ("SCHDI") in May 2017 and the first revision, developed with Jonathan Jackson from October 2018 to January of 2019, we request your acceptance of this final revised amendment application and proposal (the "Proposal").

**The Proposal**

SCHDI requests an amendment to the Halfmoon Bay Official Community Plan (the "OCP") and Sunshine Coast Regional District (the "SCRD") Bylaw 310 ("Bylaw 310") for the purposes of subdividing approximately 46 acres at the end of Stephens Way in Secret Cove. The 46 acres comprises a 35-acre remainder parcel and an 11-acre parcel at 9305 Stephens Way. Adding 9305 Stephens Way is a change to the previous proposal based on recommendations by Senior Planner, Mr. Jackson, to address the existing Ministry of Environment ("MOE") Sensitive Ecosystem wetland polygon while still achieving adequate parcel sizes for the proposed density.

The Proposal includes new zoning intended to encourage local, sustainable economic development and foster small business growth. It proactively addresses many of the Sunshine Coast's widely known development challenges and contributes to overall regional sustainability and resilience, while avoiding the creation "estate acreages" & "monster homes" and minimizing impacts on existing regional infrastructure. The area covered by the Proposal is well removed from the more densely populated portions of Halfmoon Bay and Secret Cove. Furthermore, the development will not be visible from the highway, or unduly affect the overall character or amenity enjoyment of the existing neighbourhoods.

SCHDI proposes creating fifteen two-and-a-half-acre (1 hectare) parcels under the OCP Rural Residential land use zone. We seek the density bonus from 1.75 hectares to 1 hectare based on the creation of a proposed wetland park that will revitalize and enhance wetland areas affected by previous onsite commercial logging operations that occurred before the creation of the Sensitive Ecosystem Inventory, as well as to enhance flow paths redirected by recent commercial logging operations on the adjacent crown land.

Each parcel will have a private, onsite well and septic system. As such, the Proposal does not require the extension of municipal services lines and puts no further pressure on the SCRD water system. Private well systems have been shown in practice to incentivize more responsible water consumption by landowners.

Under the rezoning, each parcel will be permitted to have one principal and one auxiliary dwelling. These auxiliary dwellings are intended to foster an increase in the rental housing supply on the coast, which currently suffers from a shortage of such building stock.

The area for the proposed development is already within existing trash collection and fire service boundaries, so it requires no extension of SCRD service lines. The relative density (compared to Secret Cove or Halfmoon Bay) remains low. There should be no material increase in risk from a fire perspective and no material impact on garbage collection services. The enhanced land values created through the Proposal will result in additional tax revenues, without generating material additional service demands or infrastructure pressures.

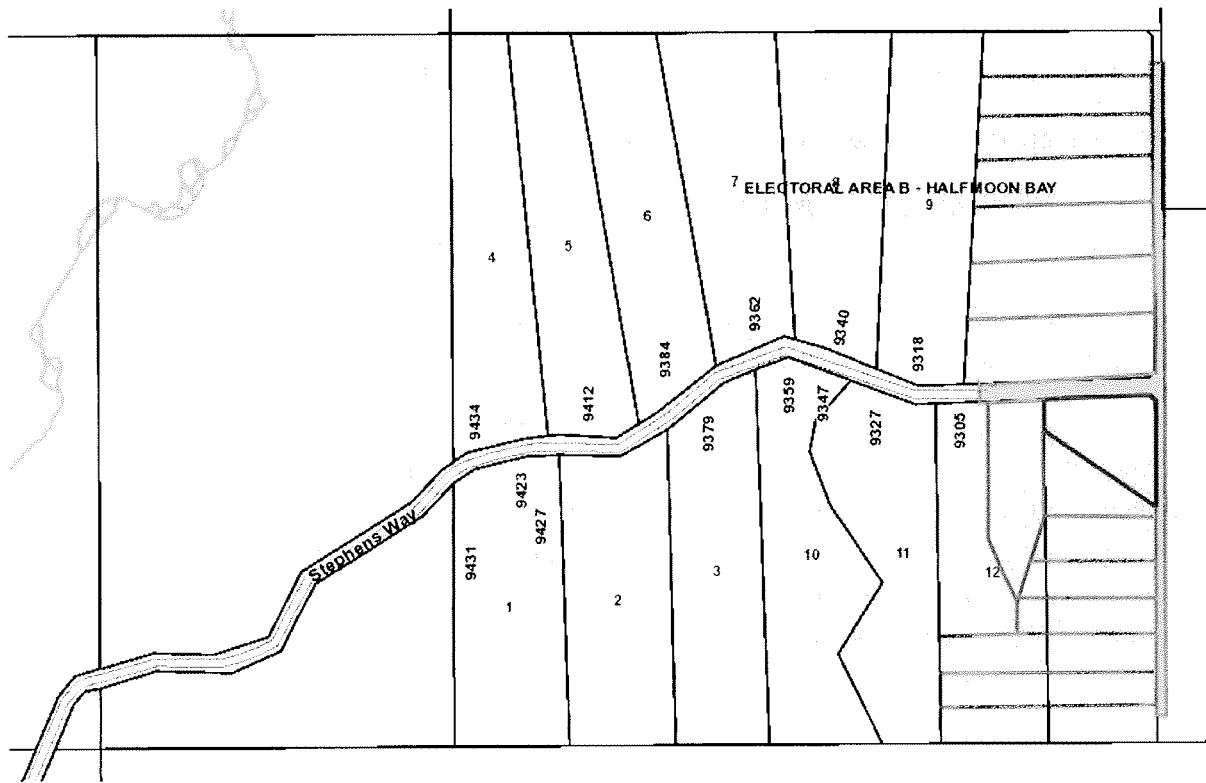
In accordance with the previously agreed criteria, SCHDI shall ensure:



- The road network on the property is minimized to reduce the creation of impervious surfaces and maximize green and natural spaces;
- Adequate and safe well-water for each proposed lot is proven;
- Safe building sites are demonstrated;
- Fire safety measures for construction on the properties are covenanted for wildfire interface; and
- The creation of “estate acreages” will be deterred by limiting the footprint of the principal and secondary dwellings.

SCHDI has already procured an environmental report and a wetland mapping assessment. The services of a hydrologist have been retained, and work has begun developing a hydrology report along with testing for shallow wells. All test wells to date have exceptional recovery, more than sufficient for the proposed uses. SCHDI has pioneered for septic and building sites and has undertaken consultation processes with immediate neighbours as well as the wider community.

## The Proposed Layout



**Lot Lines** (in purple) are approximate.

**Park Boundary** (in green) is approximate and will be determined with input from the necessary registered professionals.

**Road Alignment** (in orange) is along existing road dedications and has been shared and discussed with the Provincial Approving Officer of the Ministry of Transportation and Infrastructure, for our district.

### Park Fund and Community Amenity Contributions ("CACs")

There are provisions in the *Local Government Act* that limit what can be required of developers, which are succinctly summarized in the Province's guide, *Community Amenity*

*Contributions: Balancing Community Planning, Public Benefits and Housing Affordability (the “Community Amenity Guide”):<sup>1</sup>*

- DCCs for off-site services (s. 933);
- money towards acquiring school sites (s.937.3);
- on-site services related to subdivision (s.938);
- excess capacity or extended services (s.939);
- up to 5% of land being subdivided for park land, or cash-in-lieu (s.941); and,
- land for roadways (s.945).

The Community Amenity Guide further notes that:<sup>2</sup>

A common misperception is that local governments have authority to require CACs as a condition of rezoning. In fact, there is no authority to impose such conditions on a rezoning applicant; any contributions must either be at the initiative of the applicant/developer or emerge from rezoning negotiations between the applicant/developer and the local government.

[illegible]

<sup>1</sup> The section references are to the *Local Government Act* prior to the latter's amendment and renumbering in 2015.

<sup>2</sup> Community Amenity Guide, at p. 6.

have the capacity to amortize these costs and manage the process, and so reduce the diversity of development projects.”<sup>3</sup>

The Government of British Columbia's *Guide to Community Amenity Contributions: Balancing Community Planning, Public Benefits and Housing Affordability* recommends “avoid[ing the] perception that zoning is for sale.” Furthermore, it states that:

progress on housing affordability requires a focus on supply. Fundamentally, actions that expand the supply of housing units will help keep housing costs down, while actions that restrict supply will contribute to higher prices. In other words, if there is a lot of housing available then buyers are in a relatively strong position and prices go down, but where the demand is greater than the supply, there is more competition and prices go up<sup>4</sup>.

SCHDI's project is locally owned, managed and developed. Public input regarding the Dynamic Rural Zone has been positive. The majority of respondents from all sources believe two and a half acre parcels is rural in character, and that the Dynamic Rural Zone proactively addresses the economic and food security goals of the OCP. The only true objection has been that some community members feel as though there should be no further density above the highway. So, SCHDI has often been met with the response “yes, we need this in Halfmoon Bay, but not there.” However, there are already many locations along above the highway with similar parcel sizes to what SCHDI is requesting. These include the following:

- 1 to 3-acre parcels: Grauman, 9158 - 9222 Sunshine Coast Highway, 5744 to 5830 Trout Lake Road, 5747 Sutherland, 5524 Spipyus, 11622 Blue Rock, 11866 Sunshine Coast Highway, 11882 Sunshine Coast Highway, Duboise
- 3 to 5 acre parcels: Lockyer, Crystal, Hanbury, Twin Creeks and Williamsons Landing, Tapp Road, Wood Bay Heights, 10990 Sunshine Coast Highway, Sunview

It is simply not financially viable to create large parcel subdivisions below the highway. The high cost to acquire land forces developers to seek the highest density possible in order to cover the costs of site preparation, servicing and infrastructure. This results in

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<sup>3</sup> <http://www.bcchamber.org/policies/removing-uncertainty-community-amenity-contributions>

<sup>4</sup> Community Amenity Guide, at p. 6.

small lots that require public water and wastewater servicing and which are not viable for the uses intended in the Dynamic Rural Zone.

subdivision.” Section 510 (5) of the Local Government Act provides as follows:

“The amount of land that may be required under subsection (1) (a) or used for establishing the amount that may be paid under subsection (1) (b) must not exceed 5% of the land being proposed for subdivision.”

As such, the 5% is not a statutory minimum, but a maximum, intended to limit what local government can require for parkland reserves.

- Crown Park and SCRD Trail
  - “the wetland to be appropriately environmentally covenanted and “returned to Crown” as the Province owns the balance of the wetland and it makes sense for it to be under a single ownership.”
  - “seek a minimum 4 metre access buffer beyond the established Streamside Protection & Enhancement Area (SPEA) of the wetland that would also be returned to the Crown with the wetland and its SPEA area, but encumbered with a 4 metre wide Statutory Right of Way for Trail and Public Access”

In total, this represents approximately 12,000 square metres or 6.45% of the total land.

According to the Government of British Columbia Community Amenity Contribution Guide, “the reality is that developers and their financial backers only pursue projects if they feel that they can achieve their expected return on investment, which for a typical

project is around 15 percent.<sup>5</sup> Planning Staff are asking in return for the 2% cash in lieu for the 15% reduction in the amount of cash in lieu required. The cash in lieu is required to offset the loss of the 15% reduction in the amount of cash in lieu required.

SCHDI is prepared to offer:

Item	SCHDI Proposal
Cash in Lieu	2% Cash in Lieu
Park and Right of Way	<p>Total of approximately 12,000 m<sup>2</sup> (6.45% of the land in the Proposal)</p> <ul style="list-style-type: none"> <li>Wetland Park: approx. 1 hectare. Final area to be determined with Registered Professionals.</li> </ul> <p>SCRD Right of Way: ~427 linear metres = 1,708 m<sup>2</sup></p>
Density Bonus	<p>SCHDI feels it is already meeting the requirements for the density bonus as outlined in the Halfmoon Bay OCP.</p> <ul style="list-style-type: none"> <li>HMB OCP 10.5 <ul style="list-style-type: none"> <li>a. Sensitive ecosystems, such as wetlands, intertidal areas and stream corridors, are not impacted and are restricted by covenant;</li> <li>b. Extensive road construction on the subject property is not required; and</li> <li>c. Consideration is given to community amenities, such as waterfront access or trail dedication.</li> </ul> </li> <li>HMB OCP 10.9: "Properties 1 hectare or greater shall be zoned for a second dwelling." In the spirit of the Dynamic Rural Zone and the</li> </ul>

<sup>5</sup>Government of British Columbia, *Community Amenity Contributions: Balancing Community Planning, Public Benefits and Housing Affordability* (March, 2014), at p.14.



	need for increased rental housing supply or “affordable market housing” as defined by GOV BC, SCHDI prefers to be zoned for an auxiliary dwelling instead of the allowable 2 principal dwellings
Community Amenity Contribution	<ul style="list-style-type: none"> <li>• Development of the Dynamic Rural Zone at the Planning Department’s request and extensive public input on the concept at PCDC’s request.</li> <li>• \$46,000 lump sum cash contribution to parkland reserve fund as a voluntary donation for consideration of the OCP amendment.</li> </ul>

### **The Dynamic Rural Zone**

SCHDI, in consultation with local community members, has developed the Dynamic Rural Zone. The concept behind the creation of a Dynamic Rural Zone is to create a progressive land use zone that addresses:

- The quickly evolving nature of technology-intensive economic activities;
- An optimally efficient and productive rural periphery to supply the growing needs of a densifying core; and,
- Diversified economic activities beyond the traditional existing local model of primary resource extraction with ancillary conservation and tourism endeavours to create a more resilient and sustainable regional economy.

The Dynamic Rural Zone updates the sole proprietor, home-based business focus of conventional rural zones, allowing for up to four employees and shared workspace for small artisan collaboration. By creating auxiliary housing, the Dynamic Rural Zone reduces the need to commute and increases rental housing supply. The mix of sustainable agriculture with artisan maker spaces and new economy businesses supports a more sustainable neighbourhood model. The availability of high-speed internet infrastructure facilitates this zone.

The Dynamic Rural Zone is not an industrial zone or a commercial zone. It is a combined rural residential and work from home zone that blends the existing Rural Residential and Agricultural Zones found within Bylaw 310. It capitalizes on the unique economy of scale the Sunshine Coast offers, including exceptional quality of life and connectivity, stewardship of natural environment, and close proximity to the urban centres of Vancouver, Victoria and Nanaimo.

A key principle of the Dynamic Rural Zone involves deterring “estate acreage” creation by limiting the footprint of the principal (and any secondary) dwelling. SCHDI favours a blend of rural residential parcel sizes and purposeful business use of home categories so neighbourhoods within the Dynamic Rural Zone can foster resilient communities and ongoing local economic development.

Rather than making increasing demands on municipal services, the Dynamic Rural Zone aims to encourage environmentally conscientious land ownership through innovative sustainable building solutions that prioritize the use of onsite wells and capitalize on technological improvements to domestic septic systems and grey water recycling. The goal is to make a land use zone that is sufficiently prescriptive to encourage and facilitate the zone’s goals without overly deterring purchasers, while also being restrictive enough to keep the benefits of the zone from being exploited to subdivide for the sake of subdividing.

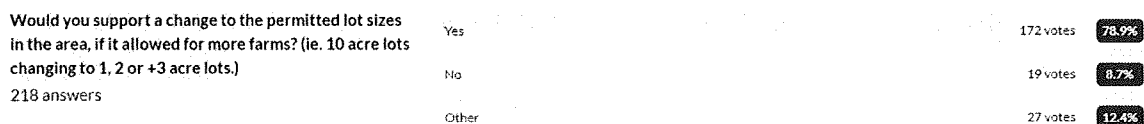
### **Community Input**

In March 2019, SCHDI presented to the SCRD Planning and Community Development Committee (“PCDC”). The PCDC received the innovative approach outlined in the Dynamic Rural Zone with enthusiasm but requested further feedback from the Area Planning Committees (the “APC”). In the last five months, SCHDI has presented the Dynamic Rural Zone concept to each of the five APCs, the Sechelt Rotary Club, the Gibsons Fuse Work Hub, the Sunshine Coast Regional Economic Development Organization Chair and Executive Director, and the Halfmoon Bay/Pender Harbour Self-Employed Women’s Network Meetup group.

Feedback from the APCs was complicated, as many members were not completely clear whether they were being asked to consider a proposed development or a new land use zone. Most deferred to await Halfmoon Bay’s response, as the proposed change was within its jurisdiction. One welcoming member in Elphinstone acknowledged that innovation in any area is the most difficult for those seeking to break new ground. Many long-time members of the APCs were very reluctant to consider any

modification or progression of the OCP, as many of them sat on OCP development committees and appear to feel significant personal attachment to maintaining the status quo.

It is also very challenging to get wider public input. Most often it seems as though most folks do not have the time to show up to public meetings unless they wish to protest. This is evidenced by the small turnout for SCHDI's Public Information meeting held at Halfmoon Bay Elementary on April 29, 2019. The advertisement for the Public Information Meeting was placed in the Local Weekly, as per statutory requirements. SCHDI also undertook a Facebook paid advertising campaign geographically targeted to Sunshine Coast residents from 18 to 65+ years of age. The Facebook ads reached 1529 residents; however, fewer than ten members of the public attended. In December 2018, SCHDI ran a public poll to seek input on local development that included questions about the best use of land and what parcel size respondents felt could be considered rural. The poll reached 7991 of the estimated 16,000 Sunshine Coast-based Facebook accounts. Of the 7,991 people reached, 1,373 clicked through to the poll and 218 people answered the questions. When asked to describe their idea of a "rural" neighbourhood and indicate lot sizes, 44% of respondents answered one half acre, 20% answered 1 acre, 27% described aesthetics and distance from amenities as the qualifiers for rural status and 9% felt parcels sized at five acres and above was rural. Respondents were supportive of reducing lot size if it allowed for more farms, as shown in the poll response below:



## **Summary**

Since SCHDI's submission of the application in May 2017, due diligence has been performed to address several initial concerns, including:

- Removal of the Future Highway and Flood Covenants on the North East corner of the remainder,
- Hydrology, Environmental and Wetland review by Registered Professionals,

- Notification of plans and ongoing discussion with Stephens Way neighbours of SCHDI's plans for the property, and
- Attending the Halfmoon Bay APC meetings twice to discuss the evolving plan.

The proposed amendment to the existing bylaw will facilitate community and business growth in the area at little cost to the SCRD. Though it has been challenging to obtain substantial community input, SCHDI feels the support is adequate to merit acceptance of this Proposal.

Sincerely,



Nicole Huska  
Agent for Secret Cove Heights Development Inc.

Enclosures:

Dynamic Rural Zone

Cc:[info@secretcoveheights.com](mailto:info@secretcoveheights.com)

# The Dynamic Rural Zone

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## Purpose of the Dynamic Rural Zone

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SCHDI, in consultation with local community members, has developed the Dynamic Rural Zone. The concept behind the creation of a Dynamic Rural Zone is to create a progressive land use zone that addresses:

- The quickly evolving nature of technology-intensive economic activities;
- An optimally efficient and productive rural periphery to supply the growing needs of a densifying core; and,
- Diversified economic activities beyond the traditional existing local model of primary resource extraction with ancillary conservation and tourism endeavours to create a more resilient and sustainable regional economy.

The Dynamic Rural Zone updates the sole proprietor, home-based business focus of conventional rural zones, allowing for up to four employees and shared workspace for small artisan collaboration. By creating auxiliary housing, the Dynamic Rural Zone reduces the need to commute and increases rental housing supply. The mix of sustainable agriculture with artisan maker spaces and new economy businesses supports a more sustainable neighbourhood model. The availability of high-speed internet infrastructure facilitates this zone.

The Dynamic Rural Zone is not an industrial zone or a commercial zone. It is a combined rural residential and work from home zone that blends the existing Rural

# The Dynamic Rural Zone

Residential and Agricultural Zones found within Bylaw 310. It capitalizes on the unique economy of scale the Sunshine Coast offers, including exceptional quality of life and connectivity, stewardship of the natural environment, and close proximity to the urban centres of Vancouver, Victoria and Nanaimo.

A key principle of the Dynamic Rural Zone involves deterring “estate acreage” creation by limiting the footprint of the principal (and any secondary) dwelling. SCHDI favours a blend of rural residential parcel sizes and purposeful business use of home categories so neighbourhoods within the Dynamic Rural Zone can foster resilient communities and ongoing local economic development.

Rather than making increasing demands on municipal services, the Dynamic Rural Zone aims to encourage environmentally conscientious land ownership through innovative sustainable building solutions that prioritize the use of onsite wells and capitalize on technological improvements to domestic septic systems and grey water recycling. The goal is to make a land use zone that is sufficiently prescriptive to encourage and facilitate the zone’s goals without overly deterring purchasers, while also being restrictive enough to keep the benefits of the zone from being exploited to subdivide for the sake of subdividing.

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## Definitions

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In this bylaw:

All definitions from 2018-Apr-12 Bylaw 310 remain the same with the addition of these “Additional Definitions.”

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## Additional Definitions

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**“creative economy”** means economic activities supporting arts and culture, film, television, music, publishing, and the interactive and digital media industries. It includes all economic activity that depends on a person’s individual creativity for its economic value whether the result has a cultural element or not.

**“new economy”** includes online retailers, crowdfunding, mass customization manufacturers such as 3D printing, robotics, social media, sharing economy companies, online media, online dating services, online advertising.



# The Dynamic Rural Zone

**“knowledge economy”** means production and services based on knowledge-intensive activities that contribute to an accelerated pace of technical and scientific advance, as well as rapid obsolescence. The key component of a knowledge economy is a greater reliance on intellectual capabilities than on physical inputs or natural resources.

**“artisan”** means a person or company that makes a high-quality or distinctive product in small quantities, usually by hand or using traditional methods:

**”local artisanal”** means food or drink made in a traditional or non-mechanized way using high-quality ingredients.

**“maker”** means economic activities that are a technology-based extension of “Do It Yourself” production that focus on the creation of new devices as well as tinkering with or repair of existing ones. This includes the creation of open-source supported hardware and engineering-oriented economic activities such as electronics, robotics, 3-D printing, and as well as more traditional activities such as metalworking and, woodworking.

**“e-commerce”** means the activity of buying or selling of products on online services or over the Internet.

**“fibre”** means high-speed fibre optic broadband internet infrastructure.

**“collaborative”** means to work jointly with others or together especially in an intellectual or creative endeavour

**“workspace”** means the space used or required for one's work, as in an office or home.

**“business incubator”** means a company or collaborative workspace that helps new and startup companies to develop by providing services such as management training or office space.

**“human capital”** means the skills, education, capacity and attributes of labour which influence their productive capacity and earning potential.

**“coding”** means the process of building and designing an executable computer program for accomplishing a specific computing task.

# The Dynamic Rural Zone

**“grey water recycling”** Greywater is all wastewater that is generated in household or office building sources without faecal contamination. Recycled greywater from showers and bathtubs can be used for flushing toilets. The use of greywater for irrigation requires separate blackwater and greywater waste lines in the house. This is not a difficult task in new construction but can be problematic in existing buildings.

# The Dynamic Rural Zone

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## Subdivision District

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Suitable Subdivision Districts for Dynamic Zone are E2 and above, being parcels 10,000m<sup>2</sup> and larger.

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## Changes to General Use Provisions

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The Dynamic Zone blends RU2 and Agriculture zones and general uses with additions and changes noted below and underlined. Changes reflected below are an attempt to bring General Use Provisions and permitted landuse into alignment with what is actually happening in our community.

This document is best read alongside the Rural Residential Two zone (page 93 to 96) and the Agricultural Zone (page 99 to 104) of the existing SCRD Bylaw 310 which can be found at <http://www.scrd.ca/bylaw-zoning->.

### 502 General Use

(1) In any zone:

(e) family or child group daycare facilities for the care of not more than eight children at one time, including all children under 12 years of age living or being cared for in the facility are permitted uses;

Reason: to bring numbers in line with In-Home Multi-Age Care British Columbia Child Care Licensing Regulations Schedule E.

### Keeping of Poultry or Rabbits

(2) **more than domestic consumption.** Actual numbers to be determined in consultation with Sunshine Coast Regional District Board and the Agriculture Advisory Committee.

### Keeping of Livestock

(4) **more than domestic consumption.** Actual numbers to be determined in consultation with Sunshine Coast Regional District Board and the Agriculture Advisory Committee.

# The Dynamic Rural Zone

## Auxiliary Buildings and Structures

(6)

**TABLE I**

(iii) 3500m2 up to 1.2ha.	<u>250m2</u>
---------------------------	--------------

## Auxiliary Dwelling Units

(8)

(a) The maximum floor area for an auxiliary dwelling unit, where permitted shall be 125 square metres.

(b) The maximum floor area for a building containing a free-standing auxiliary dwelling unit shall be 125 square metres.

## Home Occupation

(10)

(e) employees of a home occupation are restricted to members of a family as defined in this bylaw plus up to a maximum four other persons or workspace collaborators.

## Landscaping

A water conservation landscape buffer of 2 meters of land in a setback area zone shall be provided and maintained to screen business use of home from other neighbouring parcels with different land-use zones.



Secret Cove Heights Development Inc.  
Unit 238 A - 8275 92nd Street  
Delta BC V4G 0A4

December 5, 2019

Planning Department - Sunshine Coast Regional District  
1975 Field Road  
Sechelt, British Columbia

**Re: Information Session, Poll and Dwelling Size**

---

Dear Mr. Siao:

**Information Session**

**Advertising Reach:**

SCHDI's Public Information meeting was held at Halfmoon Bay Elementary on April 29, 2019. The advertisement for the Public Information Meeting was placed in the Local Weekly, as per statutory requirements. SCHDI also undertook a Facebook paid advertising campaign geographically targeted to Sunshine Coast residents from 18 to 65+ years of age. The Facebook ads reached 1529 residents; however, fewer than ten members of the public attended.

**Attendees:**

2 from the District of Sechelt.

7 from Halfmoon Bay

- 3 HMB APC members plus one friend
- 1 mother with her young children
- 2 owners from Stephens Way

- 1 older, female long time resident  
Jonathan Jackson, Planner SCRD

**Outcomes:**

All but the 3 members of the APC and their friend were enthusiastic about the project and have offered to write letters of support. Given the low attendance, my spouse and I, who are managing the project got the opportunity to speak at length with the 3 APC members to answer many questions they had that were not addressed at the APC meeting because procedure did not allow for the SCHDI delegates to respond to bad information. We were permitted to explain that the Dynamic Rural Zone was developed at the request of Andrew Allen, of the SCRD. We were able to explain how the goal of the zone was to proactively address short comings in the Rural Residential 2 zone around the development of unmonitored RV parks and why we were actively promoting home based business due to the growth of ecommerce opportunities since the OCP was written. None of the APC members nor their friend were aware of what ecommerce is, how low impact it can be, and how it allows local home based business to access worldwide customers. I believe that after the nearly 30 minute discussion, the 4 women were better informed and more comfortable about the proposal than before they attended the Information Session.

**SCHDI Poll**

- Ran throughout December 2018
- 7991 of the estimated 16,000 Sunshine Coast-based Facebook accounts were reached
- Of the 7,991 people reached, 1,373 clicked through to the poll and 215 people answered the questions
- When asked to describe their idea of a "rural" neighbourhood and indicate lot sizes, 44% of respondents answered one half acre, 20% answered 1 acre, 27% described aesthetics and distance from amenities as the qualifiers for rural status and 9% felt parcels sized at five acres and above was rural.
- When asked "What are your thoughts about developments that are water independent (ie. they use onsite wells and do not have to draw from public infrastructure)", 75% of respondents were in favour of wells, 25% felt that it was either a good idea but it should be managed by the SCRD, or require oversight or felt they didn't have sufficient expertise to answer. 1 respondent said No.

## Results

Area	Number of Respondents	Percentage of Respondents	Area as Percentage of Coast Population
Pender Harbour	12	6%	5%
Halfmoon Bay	50	24%	9%
West Sechelt	17	8%	37%
Davis Bay	11	5%	
Sechelt	52	24%	
Roberts Creek	24	11%	11%
Elphinstone	12	6%	12%
Gibsons	30	14%	17%
West Howe Sound	7	2%	7%
Total	215		

What are your top priorities for our community?

218 answers



Would you support a change to the permitted lot sizes in the area, if it allowed for more farms? (ie. 10 acre lots changing to 1, 2 or +3 acre lots.)

218 answers



How do you think the local economy could improve or become more resilient?

218 answers - 468 votes



### **Dwelling Size Restriction**

**Principal** 3,200 sq ft (297 m2) total floor area

**Auxiliary** 1,200sq ft (111 m2) total floor area, as per feedback from SCRD Staff Report on Public Participation for Phase 2 of Bylaw 310 Update.

**Auxiliary Buildings** - the maximum parcel coverage of all buildings and structures shall not exceed 35% with the exception of green houses.

Sincerely,



A handwritten signature in black ink, appearing to read 'N. Huska'. The signature is stylized with a large, vertical 'H' and a cursive 'ka' at the end.

Nicole Huska,  
Agent for Secret Cove Heights Development Inc.

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Planning and Community Development Committee, January 9, 2020

**AUTHOR:** Ian Hall, General Manager, Planning and Community Development

**SUBJECT:** **ACTIVE TRANSPORTATION MEMORANDUM OF UNDERSTANDING (MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE) – FURTHER CONSIDERATION**

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### RECOMMENDATION(S)

**THAT the report titled Active Transportation Memorandum of Understanding (Ministry of Transportation and Infrastructure) – Further Consideration be received;**

**AND THAT the delegated authorities be authorized to sign the Active Transportation Infrastructure Memorandum of Understanding with the Ministry of Transportation and Infrastructure;**

**AND FURTHER THAT, following signing, the Ministry of Transportation be invited to appear as a delegation/presentation to an upcoming Transportation Advisory Committee as supported by Clause 22 (meeting) of the Memorandum of Understanding.**

---

### BACKGROUND

At the Regular Board meeting of September 12, 2019, it was resolved:

204/19 Recommendation No. 8

THAT the report titled Active Transportation Infrastructure Memorandum of Understanding – Ministry of Transportation and Infrastructure be received;

AND THAT the Memorandum of Understanding be reviewed by staff to address SCRD Board concerns as follows:

- Reference to the Province's Active Transportation Strategy
- Unique status/needs for Highway 101
- Ministry of Transportation and Infrastructure's mandate to provide public road infrastructure to all road users
- The District of Sechelt to be included as one of the referenced member municipalities

AND THAT the Memorandum of Understanding be referred to the Municipal Insurance Association of BC for comment on SCRD liability (Section 11);

AND FURTHER THAT staff report to a future Committee with respect to feedback from other local governments on the Memorandum of Understanding process.

The purpose of this report is to provide information to address questions and concerns arising from the staff report dated July 11, 2019 (Attachment A) and to recommend next steps.

## **DISCUSSION**

### *Purpose of the Memorandum of Understanding (MOU)*

The proposed MOU is intended to provide general understandings and processes regarding the implementation of active transportation infrastructure (ATI) within the Ministry of Transportation and MoTI right of way. Under the MOU, planning and design for ATI will align with the ATI Planning and Approvals Guidelines Document (staff provided separate analysis of the draft Approvals Guidelines document to the September 12, 2019 Planning and Community Development Committee). There will be project-specific license of occupation agreements for each ATI project. SCRD will maintain a list of ATI priority projects that will be reviewed annually with MoTI.

The proposed MOU serves to clarify and affirm process, some of which already exists.

### *Status of the MOU in other Regional Districts*

Other AVICC Regional Districts (qathet, Comox Valley, Cowichan Valley, Regional District of Nanaimo) have signed the MOU.

### *Liability Review – Comments from Municipal Insurance Associations of BC*

Staff enquired with MIABC about whether signing the MOU would create any special, different or additional liabilities or relief from liability for SCRD related to works (such as paths, widened shoulders, etc.) that might be constructed by SCRD.

MIABC indicates there is no language contained in the MOU that creates any additional liability or relief for the SCRD.

The SCRD will be liable for any claims for damages caused by its negligent planning, design, construction, operation, maintenance or repair of ATI. This is no different than the liability associated with delivering any other service to the community.

The proposed MOU does not appear to increase SCRD's liability. A robust, routine and well-documented planning and design process can help to manage risk.

### *Fit with MoTI's Mandate*

According to [MoTI's service plan](#), the Ministry "...strives to build and maintain a safe and reliable transportation system and provide affordable, efficient and accessible transportation options for all British Columbians."

The Ministry has a commitment for "consideration of how diverse groups of British Columbians may experience our policies, programs and initiatives."

Key strategies related to rural infrastructure include leading planning to address rural needs, developing partnerships with "federal and other local government agencies, communities and private sectors to invest in priority rehabilitation and improvement projects that serve the best interest of British Columbians." There are related strategies focused on transit improvement, development of active transportation strategy etc.

The proposed MOU appears to align with the Ministry's mandate and with some of the actions flowing from the Ministry's service plan.

*Reference to the Province's Active Transportation Strategy*

In July 2019, [Move Commute Connect, BC's Active Transportation Strategy](#) was released. The strategy seeks to transform how people get around in a way that reduces pollution and leads to better health, while making communities cleaner and more liveable. The strategy aims to double the percentage of trips taken with active transportation by 2030.

Under the strategy, the Province will:

- make a new Active Transportation Design Guide available to local governments, helping communities to consistently use best practices when planning their infrastructure;
- align provincial policies, programs and funding to support the growth of active transportation;
- work with local governments, communities and Indigenous groups to support local and regional network planning to connect communities and advance active transportation.

The strategy includes actions (termed pathways) that include:

- Expanding infrastructure grant programs
- Updating MoTI's cycling policy
- "As provincial highways are developed, improved or reconfigured, integrate active transportation in their design and construction"
- "Facilitate discussions with local governments, Indigenous Communities and transit providers to continue to improve the integration of transit with active transportation networks"
- "Support municipal planning to connect local and regional active transportation infrastructure with provincial infrastructure"
- "Identify possible mechanisms for local government funding for active transportation, including the use of Development Cost Charges"
- "Support opportunities for active transportation infrastructure in new construction"
- "Encourage local and regional governments to take consistent approaches to active transportation planning through Official Community Plan development, by-laws and policies"

The proposed MOU appears to align with the Provincial active transportation strategy. It would support coordination and communication between planning authorities.

*Unique status/needs for Highway 101*

Sunshine Coast Highway (101) has been identified by SCRD in the past as requiring special consideration and as being a priority route for upgrades, especially where no alternative parallel route exists.

MoTI classifies the Highway 101 as distinct class of road, and the provincial [Active Transportation Design Guide](#) would suggest unique infrastructure solutions based on the speed limit and traffic volume (also unique on the Coast).

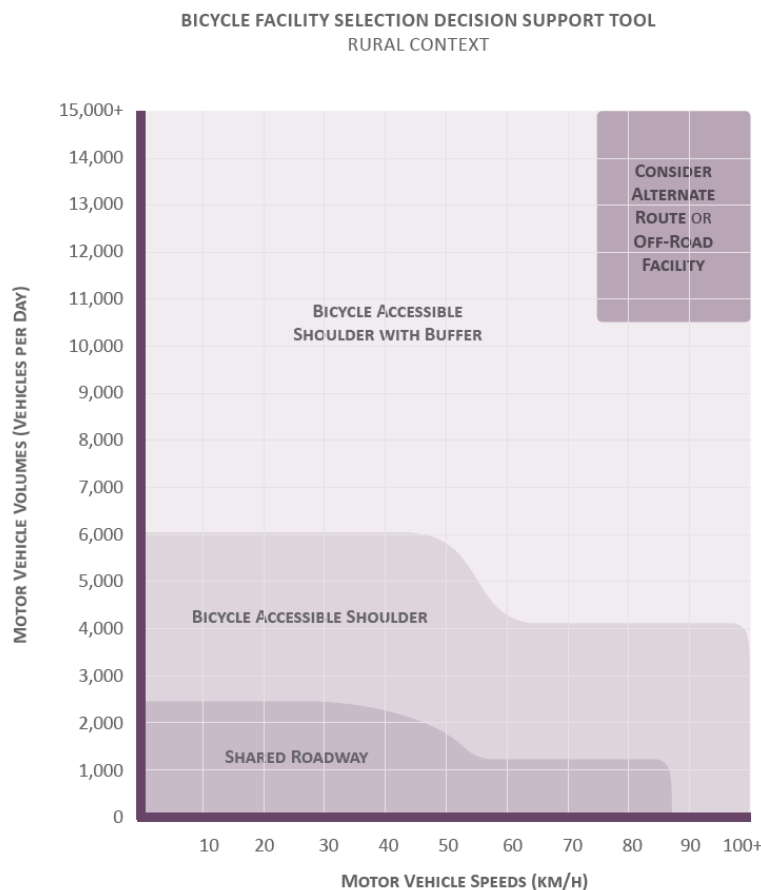


FIGURE D-30 // BICYCLE FACILITY SELECTION DECISION SUPPORT TOOL - RURAL CONTEXT

Above: Figure D-30, from the 2019 edition of the Province's Active Transportation Design Guide, page D10.

Special consideration of Highway 101, including for active transportation, is made in the *Integrated Transportation Strategy* (2011).

Further information about the future development of Highway 101 may emerge through the corridor study work currently being undertaken by MoTI (results expected early 2020, though the timeline has been pushed out from what was originally indicated).

The proposed MOU speaks to process, not to design. No individual roads are identified in the proposed MOU. Supporting/coordinating document such as the *Active Transportation Design Guide* and *Integrated Transportation Strategy* appear to address the unique needs of Highway 101.

*Include the District of Sechelt as one of the referenced Member Municipalities*

This is an unintended omission. A text edit can be made prior to signing, should the decision be made to proceed.

## **OPTIONS**

### Option 1: Sign the Memorandum of Understanding (Recommended)

The proposed MOU clarifies a process and standards for coordinated planning, design and development of ATI.

The MOU does not oblige SCRD to undertake development of ATI or relieve MoTI from any obligations.

Signing the MOU would affirm SCRD's interest in active transportation (as evidenced by the Regional District's Bike and Walking Path Services [665] and [667] and previous development of trails on undeveloped roadways through Parks service [650]) and help to structure how the parties communicate and coordinate.

If this options is selected, staff further recommend that the meeting mechanism indicated in the proposed MOU (clause 22) be engaged immediately following signing, with an invitation for MoTI to attend Transportation Advisory Committee as a delegation/presentation and a staff-to-staff meeting.

### Option 2: Not sign the Memorandum of Understanding

There is nothing in the proposed MOU that cannot be undertaken without it being signed.

If SCRD's advocacy position is that the Province should bear sole or much greater responsibility for redeveloping existing roads to accommodate active transportation, that position may be stronger without signing.

### *Organizational and Intergovernmental Implications*

While the MOU is helpful in terms of clarifying process, there remain design and funding questions to be addressed:

- At the organizational level, all SCRD ATI projects scoped or designed in the past but not constructed (i.e. projects that are, or were once, "on the drawing board" or "in the queue") will need to be reviewed for compliance with both the ATIPA and the British Columbia Active Transportation Guide. Formal maintenance and management plans would be required.
- UBCM is continuing work on the potential to approve the use of gas tax funding for active transportation infrastructure development where that infrastructure is attached to provincial road infrastructure (see below).

Clear and consistent processes for planning and development of ATI in rural areas can support coordination and integration with ATI being developed by member municipalities.

### *Financial Implications*

There are no financial implications associated with the MOU beyond staff time to maintain priority lists and participate in meetings.

However, the high level of planning and collaboration that will be required on the part of SCRD to develop ATI going forward (described in the MOU, but the obligation does not flow from the MOU) would require financial and human resources for planning, construction and in some cases for operation and maintenance of ATI that are in excess of those provided in recent years.

Funding for individual bike and walk path projects is provided through [667] Bicycle and Walking Paths (Area A) and [665] Bicycle and Walking Paths (Areas B, D, E, F). Use of Gas Tax Community Works Funds (CWF) is being reviewed by UBCM as a potential funding source for ATI (currently not eligible). The use of transparent, consistent licenses with long tenure is designed to facilitate the appropriate/permitted use of gas tax funds. To date, information from UBCM indicates that projects with a best fit for CWF would be those not in MOTI's 5 year plans, at a minimum, or at all; and that are community-driven and not "offsetting" provincial infrastructure responsibilities.

#### *Timeline / Communications Strategy*

Staff would coordinate signing of the MOU with MoTI following board direction.

A request to MoTI to appear as a delegation/presentation at a future Transportation Advisory Committee meeting would follow; likely for April 16, 2020.

### **STRATEGIC PLAN AND RELATED POLICIES**

The subject matter of this report relates to building/enhancing regional collaboration with the Province of BC. Active transportation contributes to environmental leadership and community development.

Support for active transportation and a mode shift away from single occupancy vehicles supports action on climate change and promotes resilience.

The development of active transportation infrastructure aligns with the Integrated Transportation Study, Parks and Recreation Master Plan and Official Community Plans.

### **CONCLUSION**

SCRD and other AVICC regional districts have worked with MOTI on developing a clear, consistent and transparent approach to planning, approval and development of ATI on the Ministry's right of way. As part of that process Regional Districts asked for more clarity for the planning and approval process.

The MOU provides clear process, roles and responsibilities and is a first step toward coordinated planning and delivering of ATI. Staff recommend that the delegated authorities be authorized to sign the MOU, and that MoTI be requested to appear as a delegation/presentation at an upcoming Transportation Advisory Committee meeting.

### **ATTACHMENTS**

Attachment A: Staff report (July 11, 2019) – Active Transportation Memorandum of Understanding – Ministry of Transportation and Infrastructure

Reviewed by:			
Manager		Finance	X – T. Perreault
GM	X – I. Hall	Legislative	
I/CAO	X – M. Brown	Risk	X - V. Cropp



## **SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT**

---

**TO:** Planning and Community Development Committee, July 11, 2019

**AUTHOR:** Ian Hall, General Manager, Planning and Community Development

**SUBJECT:** **ACTIVE TRANSPORTATION INFRASTRUCTURE MEMORANDUM OF UNDERSTANDING – MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE**

---

### **RECOMMENDATION(S)**

**THAT the report titled Active Transportation Infrastructure Memorandum of Understanding – Ministry of Transportation and Infrastructure be received;**

**AND THAT the delegated authorities be authorized to sign the Active Transportation Infrastructure Memorandum of Understanding with the Ministry of Transportation and Infrastructure.**

---

### **BACKGROUND**

Since the fall of 2018, Regional Districts within the Association of Vancouver Island and Coastal Communities (AVICC) area (qathet, Comox Valley, Cowichan Valley, Regional District of Nanaimo) have been working with the Ministry of Transportation and Infrastructure (MoTI) on a memorandum of understanding (MOU) about authorizing, in a transparent and consistent way, the construction of Regional District active transportation infrastructure (ATI) within the Ministry's right of way.

This work has its genesis in advocacy by SCRD and others in 2017 and early 2018, including a meeting between the SCRD Chair and Minister Trevena at UBCM in 2017.

Progress updates have been reported to the Board through departmental quarterly reports and the Chief Administrative Officer's reports.

The MOU (Attachment 1) provides general understandings and processes regarding the implementation of ATI within the MoTI right of way.

Under the MOU, planning and design for ATI will align with an ATI Planning and Approvals Guidelines Document which is under development. Once approved, there will be project-specific license of occupation agreements for each ATI project. SCRD will maintain a list of ATI priority projects that will be reviewed annually with MoTI.

Each of the above-noted Regional Districts will be considering individual MoUs with the same terms as the MoU between the SCRD and MoTI.

## **DISCUSSION**

Staff recommend that the delegated authorities be authorized to sign the Active Transportation Infrastructure Memorandum of Understanding with the Ministry of Transportation and Infrastructure.

This is a first step in moving towards a collaborative relationship with MoTI in order to plan and develop ATI within developed and undeveloped MoTI road rights of way. The MOU provides consistent, documented processes, roles and responsibilities. As such, the agreement provides a solid foundation for planning and clarifies the liability of the Regional District.

### *Organizational and Intergovernmental Implications*

Intergovernmental cooperation and collaborative planning of active transportation routes with member municipalities requires that SCRD have a tool to authorize work within the MoTI right of way; the MOU is helpful to this end.

At the organizational level, all SCRD ATI projects scoped or designed in the past but not constructed (i.e. projects “on the drawing board” or “in the queue”) will need to be reviewed for compliance with contemporary design standards. Formal management plans will be required.

Existing (built) ATI that has been permitted through a past/historic process will remain authorized. If existing ATI is planned to be upgraded or changed, the process set out in the MOU for licensing would be applied.

### *Financial Implications*

There are no direct financial implications for the execution of the MOU.

Funding for individual bike and walk path projects is provided through [667] Bicycle and Walking Paths (Area A) and [665] Bicycle and Walking Paths (Areas B, D, E, F).

Use of Gas Tax Community Works Funds will be reviewed by UBCM as a potential funding source. The use of transparent, consistent licenses with long tenure is designed to facilitate the appropriate/permitted use of gas tax funds.

### *Timeline / Communications Strategy*

Other AVICC regional district Boards are considering the MOU this month (July 2019). A coordinated press release is contemplated, pending direction from Board(s).

The MoTI Planning and Approval Guidelines document is anticipated to be finalized Q3 2019.

Further review of the use of gas tax funds for active transportation will be undertaken by UBCM.

## **STRATEGIC PLAN AND RELATED POLICIES**

The subject matter of this report relates to building/enhancing collaboration with the Province of BC. Active transportation contributes to environmental leadership and community development. The development of active transportation infrastructure aligns with the Integrated Transportation Study, Parks and Recreation Master Plan and Official Community Plans.

## **CONCLUSION**

SRCD and other AVICC regional districts have worked with MoTI on the development of an MOU related to Regional District development of ATI in the Ministry's right of way. The MOU provides clear process, roles and responsibilities and is a first step toward coordinated planning and delivering of ATI. Staff recommend that the delegated authorities be authorized to sign the MOU.

Planning and Approval Guidelines and UBCM review of the use of gas tax funds for ATI are next steps.

## **ATTACHMENTS**

Attachment A: Draft Active Transportation Infrastructure MOU – MoTI and SCRD (Version June 6, 2019)

Reviewed by:			
Manager		Finance	
GM		Legislative	X - A. Legault
A/CAO	X – A. Legault	Risk	X –V.Cropp

**MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding made the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**AMONG:**

Sunshine Coast Regional District  
1975 Field Road  
Sechelt, B.C.  
V0N 3A1  
(“SCRD”)

**AND:****HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**

As represented by the Ministry of Transportation and Infrastructure,  
PO Box 9850, Stn. Prov. Govt.  
Victoria, BC VAW 9T5  
(the “MoTI”)

**WHEREAS:**

- a. The Parties value active transportation, the health and wellness of the community and linking communities;
- b. The Parties recognize that the Ministry is vested with the administration and operation of the highways;
- c. MoTI recognizes and acknowledges that the SCRD is a public body with an interest in providing for public uses of lands comprising provincial public highway provided that such uses comply with applicable policies respecting the operation of provincial public highways including that such uses do not interfere with the integrity of the provincial public highway infrastructure and the primary operation of the provincial public highways as safe and efficiently functioning public highways;
- d. MoTI acknowledges that it can stream line and expedite its permitting process for use of highways under its jurisdiction when dealing with a public body such as the SCRD;
- e. The SCRD has requested the ability to place ATI adjacent to the roadway and within the provincial public highway; and Parties recognize the need to work cooperatively to achieve safe active transportation but that the intent of this MOU is establish a cooperative set of principles to allow for placement of ATI by the SCRD to be permitted under future specific agreements in a manner that is consistent with the shared values and desire to cooperate, that is set out herein;

NOW THEREFORE,

**DEFINITIONS:**

1. In this MOU:

“ATI” – means Active Transportation Infrastructure as described in this MOU.

“provincial public highway” – means the lands and infrastructure administered by the MoTI and comprising a “highway” as defined in the *Transportation Act*, including rural highway, arterial highways or highways referred to in section 35(2)(f) of the Community Charter, and for greater certainty includes without limitation lands whether or not improved in part or at all for public passage.

“roadway” – means the parts of the provincial public highway that are comprised of constructed road infrastructure including without limitation, those parts of the provincial public highway required for purposes of maintaining and facilitating the integrity of and the safe and efficient functioning of the road infrastructure whether or not used for vehicular traffic.

**PURPOSE:**

2. This Memorandum of Understanding (“**MOU**”) sets out the general understandings and processes of the SCRD and the MoTI as of the date of this MOU, regarding the implementation of ATI, which generally includes:
  - (a) Gravel Pathways/Trails adjacent to the roadway
  - (b) Multi Use Pathways adjacent to the roadway
  - (c) Sidewalks adjacent to the roadway
  - (d) Widened shoulders in support of ATI connections
3. This MOU is non – binding and is subject to any and all applicable laws. Nothing in this MOU is intended to or does fetter the exercise of statutory discretions or statutory authorities applicable to the matters contemplated in this MOU.

**KEY PRINCIPLES:**

4. The MoTI and the SCRD have been working collaboratively in unincorporated areas to consider and where reasonably appropriate permit and construct regional trails, pathways and other ATI within provincial public highway with the intent being that this will be implemented through project specific agreements for ATI projects under the guidelines described herein, which are to be developed in a mutually cooperative manner.

5. The SCRD wishes to develop a framework to support where reasonably appropriate, the implementation of consistent processes to guide the planning, design, approval, construction and ongoing responsibility for ATI adjacent to roadways.
6. The SCRD will work with other Regional Districts that comprise Vancouver Island Coastal Communities to promote consistency in liaising with the MoTI in its consideration of ATI proposals and administration and implementation of provincial review processes.
7. The MoTI will work, subject to and in conformance with applicable laws, with the SCRD and other Regional Districts to review proposed ATI within provincial public highway.

**ROLES:**

8. The MoTI is vested with the administration and operation of provincial public highways and as part of this mandate reviews and may approve proposed ATI's within provincial public highways.
9. The SCRD is representative, of rural areas of the Sunshine Coast, outside of the municipalities of the Town of Gibsons and the Sechelt Indian Government District and as a part of its mandate wishes to develop ATI for the benefit of its residents.
10. SCRD desires increased use and occupation of provincial public highway for ATI's and acknowledges that any such proposed use and occupation of provincial public highway must take into consideration and reflect provincial interests and requirements including interests and requirements relating to the preservation of the highway infrastructure and the safe and efficient functioning of the provincial public highway for ATI's.
11. SCRD are prepared to be responsible for the planning, design, construction, operation, maintenance and repair of ATI's and the SCRD shall contribute staff time, background studies and mapping to work cooperatively on same. The intention of the parties when dealing with future ATI projects proposed by SCRD is to act reasonably and cooperatively to achieve an efficient and effective process, in accordance with the principles in this MOU.
12. SCRD are prepared to have and maintain a ATI priority projects program that will be shared with and reviewed annually with MoTI.
13. MoTI will share and annually discuss the district rehabilitation, safety and minor betterments program with the SCRD.

14. The MoTI is mindful of the public interest in ensuring the provincial investments, financial and otherwise, in preserving the safe and efficient functioning of provincial public highways while acknowledging the interest of the SCRD to promote the location of ATI's within provincial public highways.

**REGIONAL TRAIL PLANNING AND DESIGN:**

15. MoTI and SCRD acknowledge that ATI proposals must be consistent, among other things, with the applicable laws, policies and requirements including interests and requirements relating to the preservation of the highway infrastructure and the safe and efficient functioning of the provincial public highway.
16. SCRD and MoTI acknowledge that among other factors that are to be taken into account in considering ATI's, there is a shared view that ATI's are generally to be located in locations sufficiently separated from roadways as to enable and where feasible maximize the integrity and the efficient functioning of the provincial public highway and the safety of person on and in the vicinity of provincial public highway and the ATI.
17. SCRD acknowledge that ATI planning and design are to be consistent with and align with, amongst other things, Provincial highway corridor planning studies and goals and with the ATI Planning and Approvals Guidelines Document and are to be carried out in a manner and by adopting timelines that reasonably enable the meaningful involvement of MoTI staff.
18. MoTI and SCRD acknowledge that numerous and varied factors including, without limitation, site specific circumstances and constraints, will apply to considering appropriate locations for ATI's and that as a result there may be an approach in considering and, if approved, approving proposed ATI's that is phased to allow for, amongst other things, incremental identification and resolution of issues including without limitation issues relating to the elaborate nature of ATI's and the distancing of ATI's from roadways. Without limiting MoTI's discretion, the parties agree that future guidelines will be developed by MoTI in consultation with the SCRD, which may then be used in the design, operation and maintenance of ATI.
19. The MoTI retains the right to reject or refuse approval for any ATI proposal at its discretion.

**PROCESS:**

20. SCRD and MoTI acknowledge that existing review and approval processes including without limitation, MoTI process for considering applications for permit and licence of occupation proposals, will apply and should be followed for ATI proposals, including

submission of ATI proposals to the appropriate local MoTI Office Development Approvals department.

21. MoTI, at its discretion, and taking into account the relevant factors relating to each ATI proposal, may determine whether, if approved, a permit or licence of occupation is to apply to implementation of the ATI proposal.

**MEETING:**

22. SCRD and MoTI intend that they will meet ~~whenever~~ a meeting is reasonably necessary or requested by the other party to deal with specific ATI projects and at least on an annual basis to discuss general matters and any upcoming highway and ATI plans, review operations on existing ATI on provincial public highway and review the terms of this MOU.
23. SCRD and the MoTI intend to meet as may be reasonably required to discuss ATI and to cooperate in scheduling such meetings to achieve positive progress towards the objectives in this MOU.

**CONTACTS:**

24. The provincial lead contact with the SCRD is the MoTI District Manager, [Lower Mainland District]
25. The provincial lead contact for SCRD Regional District members is the local MoTI office
26. The SCRD Regional District lead contact is.....

**[Execution Page Follows]**

This Memorandum of Understanding is signed on behalf of SCRD and MoTI as follows.

**SUNSHINE COAST REGIONAL DISTRICT (SCRD)**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_, 2019  
**Date**



\_\_\_\_\_  
**Name**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Witness Signature**

**MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE**

\_\_\_\_\_, 2019  
**Signature** **Date**

\_\_\_\_\_  
**Name**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Witness Signature**

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Planning and Community Development Committee – January 9, 2020

**AUTHOR:** Julie Clark, Planner

**SUBJECT:** Provincial Referral CRN00090/91 South Sakinaw Roads, Provincial File 2412156 and 2412244 (OTL Road Company Ltd) - Electoral Area A

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### RECOMMENDATIONS

1. **THAT the report titled Provincial Referral CRN00090/91 South Sakinaw Roads, Provincial File 2412156 and 2412244 (OTL Road Company Ltd) - Electoral Area A be received;**
2. **AND THAT the following comments be forwarded to the Ministry of Forests, Lands, Natural Resources Operations, and Rural Development:**
  - a. **SCRD interests are unaffected;**
  - b. **That the Province undertake, or require the applicant to undertake:**
    - **Bio-inventories (in accordance with the Province of BC's [Develop With Care Guidelines](#)) in advance of land alteration to assess the presence of species and habitat values – with results and other available spatial data to authorities with land management responsibility, including SCRD.**
    - **Demonstrated alignment with relevant Best Management Practices**
    - **Evidence of direct contact / review with First Nations by applicant**
    - **Follow-up reporting documenting the work completed**

**Efforts undertaken should be to a level satisfactory to ensure that obligations to Provincial and Federal regulations (such as Wildlife Act, Forest and Range Practices Act, Water Sustainability Act, Heritage Conservation Act and also Federal Acts (Fisheries Act, SARA, Migratory Bird Convention Act) are met.**

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### BACKGROUND

The SCRD received a Provincial referral from the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD) for a License of Occupation for a road section across the northern portion of the Provincial Land included in DL 4695 REM. A second related referral was received (file 2412244) for the License of Occupation for the utilities (Hydro and telecommunications). This report considers both referrals.

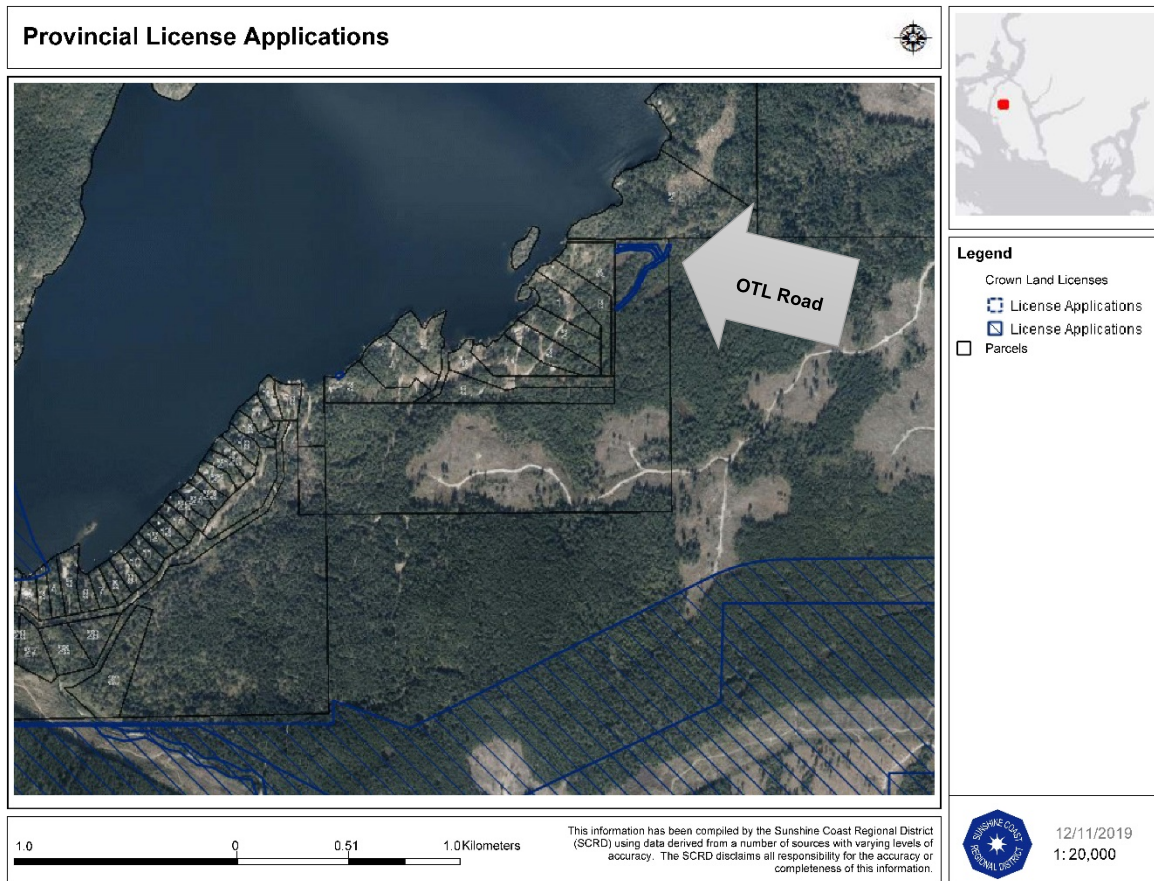
Figure 1 – Location of land subject to application



Table 1 - Application Summary

Owner / Applicant:	OTL Road Company
Purpose:	Road way use for light vehicles to access private property
Tenure Type:	Licence of Occupation
Tenure Length:	10-30 years
Tenure Size:	Tenure area not indicated. (road length 423m)
Location:	South east side of Sakinaw Lake
Legal Description:	South of District Lot 4694, west of DL4695
Electoral Area:	Egmont / Pender Harbour
OCP Land Use:	Resource
Land Use Zone:	Rural Residential 1 A (RU – 1A)
Comment deadline:	Dec 31, 2019

The referral is enclosed for reference as Attachment A. A location map and application summary is provided below.



The purpose of this report is to provide information on the referral and a response to FLNRORD.

## DISCUSSION

The applicant seeks a Licence of Occupation for 423m of previously constructed road to in order to complete permissions for a roadway to their water access only property on the Southeast side of Sakinaw Lake.

The proponent currently utilizes an existing roadway / private driveway including the application road to access their property. The Pender Harbour Landfill Road via Garden Bay Road are MOTI roads that provide access to the roadway. The roadway is permitted through a combination of road tenures over Provincial Land (public use) and reciprocal easements over strata properties (private use), with the exception of the final 423m segment of application road over Provincial land leading to PID 017-464-676. The full area of the proposed tenure is not listed in the application package.

The applicant proposes to widen the road to 12m to incorporate ditches, parking, pullouts, hydro and telecommunications lines. Clearing may be up to 20m. If permission is secured for a License of Occupation, maintenance of the road and utilities will be managed by the applicant.

Concurrently, the applicant seeks to rezone a parcel (Thomson, December 2019 Planning & Community Development Committee Agenda) to satisfy parking requirements as per Zoning

Bylaw No. 337, in preparation for a subdivision application for the parcel adjacent and to the north of the application area (PID 017-464-676).

#### *SCRD Official Community Plan and Zoning Analysis*

The Land Use designation for the subject area (District Lot 4695), as outlined in the Official Community Plan (OCP) for Area A Egmont Pender Harbour is: Resource.

- Road building is consistent with resource-based activities as outlined in the objectives and policies in the OCP.
- The Resource land use designation also encourages the protection of important ecological and recreation areas on both private and public lands.

Zoning for the subject area is Rural Residential A (RU-1A) under Zoning Bylaw No. 337.

- There are no SCRD Parks, trails or water service areas involved in this application.

SCRD (service area) interests are unaffected by the 423m of road length.

#### *Community Planning Goals and Values*

Beyond the scope of SCRD service areas, applications to make private use of public land can positively or negatively impact the fabric of community, local ecology as well as alter the way the land is used. Based on proximity, neighbours are best positioned to know the local landscape, anticipate local benefits and impacts, and know the community values. The Province, via FLNRORD, is the decision maker and regulatory body for Provincial land. Neighbours have an opportunity to comment to the Province through a publicly-advertised comment opportunity.

The Official Community Plan (OCP) for Area A Egmont Pender Harbour includes 6 community goals, 2 are included below as they relate to the OTL Road referral:

- To protect quality and quantity of all water sources;
- To respect and enhance our environment and recognize it as the foundation of our past, present and future;

To realize these goals, SCRD and the community are dependent on the Provincial and Federal regulations. The OCP recognizes unique habitat values for the Sunshine Coast, including but not limited to, Species at Risk such as the Sakinaw Sockeye, Western Painted Turtles, and the freshwater ecology of wetlands, creeks, and Sakinaw Lake. Available Provincial spatial data is limited, but indicates that the application area coincides with:

- Critical Habitat for Western Painted Turtle
- Wetland area identified by the Sensitive Ecosystems Inventory (SEI)

To maintain or enhance habitat values and fresh water quality as stated in the OCP requires a baseline assessment of species presence, ecosystem function as well as ongoing assessment of pressures and cumulative impacts. This would involve a coordinated approach with multiple agencies with land management responsibility.

The Sakinaw Lake area is experiencing development pressure, while the surrounding Provincial land is also experiencing resource industry pressure. The cumulative impacts of these

pressures are not known. Cumulative impact analysis is beyond the scope of SCRD's current land use planning mandate and it is unclear to staff whether or not the Province has processes or mechanisms to assess and manage cumulative effects in rural areas where provincial land tenures are granted.

Staff recommend that, with respect to this referral, the Province undertake, or require the applicant to undertake:

- Bio-inventories (in accordance with the Province of BC's [Develop With Care Guidelines](#)) in advance of land alteration to assess the presence of species and habitat values – with results and other available spatial data to authorities with land management responsibility, including SCRD.
- Demonstrated alignment with relevant Best Management Practices
- Evidence of direct contact / review with First Nations by applicant
- Follow-up reporting documenting the work completed.

Such efforts should be undertaken at a level satisfactory to ensure that obligations to Provincial and Federal regulations (such as *Wildlife Act*, *Forest and Range Practices Act*, *Water Sustainability Act*, *Heritage Conservation Act* and also Federal Acts (*Fisheries Act*, *SARA*, *Migratory Bird Convention Act*) are met.

#### *Options*

The Province requests SCRD decide on one of the following options in response to the referral:

1. Interests unaffected
2. No objection to approval of project.
3. No objection to approval of project subject to the conditions outlined below.
4. Recommend refusal of project due to reasons outlined below.
5. N/A

SCRD interests are unaffected in this application. Further comments are outlined in the report and recommendations.

#### *Consultation*

The Province is responsible for referring this application to the *shíshálh* Nation, SCRD and other agencies it identifies as appropriate and posts an advertisement in the Coast Reporter to enable comments from the public. The applicant has initiated engagement with the *shíshálh* Nation and an archeologist.

The Egmont / Pender Harbour Advisory Planning Commission will review this application at its meeting on January 29, 2020. Comments from the Advisory Planning Commission will be forwarded to FLNRORD.

#### *Timeline for next steps or estimated completion date*

The Province extended the deadline to comment on this application to November 30, 2019 in order to obtain a Board Resolution. The Province has been notified that the report is on the January 12, 2020 agenda. The Resolution will be forwarded to FLNRORD and the final decision will be made by the Province.

## **STRATEGIC PLAN AND RELATED POLICIES**

Advocacy: Lakes, wetlands and Provincial lands are common interests regulated by the Province. SCRD provides referral comments to assist applicants and government agencies in ensuring common interests are accessed appropriately and cared for with the long term in mind.

## **CONCLUSION**

The SCRD was provided an opportunity to comment on a Provincial Referral Application 2412156 and 2412244 for a License of Occupation for a 423m of existing road and utilities. Planning analysis shows that SCRD service area interests are unaffected.

Additional recommendations are included for the Province.

## **ATTACHMENTS**

Attachment A – Referral Package

Reviewed by:			
Manager	X – D. Pady	Finance	
GM	X – I. Hall	Legislative	
I/CAO	X – M. Brown	Other	





## Crown Land Tenure Application

FILE # 2412156

Tracking Number: 100264565

ATS#377710

## Applicant Information

If approved, will the authorization be issued to an Individual or Company/Organization?

Company/Organization

vSUS773

What is your relationship to the company/organization?

Consultant

## APPLICANT COMPANY/ORGANIZATION CONTACT INFORMATION

Applicant is an Individual or an Organization to whom this authorization Permit/Tenure/Licence will be issued, if approved.

**Name:** OTL Road Company Ltd.  
**Doing Business As:** OTL Road Company Ltd.  
**Phone:** 604-331-4904  
**Fax:**  
**Email:** Elsie.Friend@finning.com  
**BC Incorporation Number:** BC1183855  
**Extra Provincial Inc. No:**  
**Society Number:**  
**GST Registration Number:**  
**Contact Name:** Elsie Friend  
**Mailing Address:** 300-565 Great Northern Way  
Vancouver BC V5T 0H8

## CONSULTANT INFORMATION

Please enter the contact information of the Individual/Organization who is acting on behalf of the applicant.

**Name:** CHARTWELL CONSULTANTS LTD.  
**Doing Business As:**  
**Phone:** 604-973-1117  
**Fax:**  
**Email:** whansen@ccl.ca  
**BC Incorporation Number:**  
**Extra Provincial Inc. No:**  
**Society Number:**  
**GST Registration Number:**  
**Contact Name:** Warren Hansen  
**Mailing Address:** 210-275 Fell Avenue  
North Vancouver BC V7P 3R5  
**Letter(s) Attached:** Yes (Letter of Agency Thomson Chartwell Oct 18 2018.pdf)

## CORRESPONDENCE E-MAIL ADDRESS

If you would like to receive correspondence at a different email address than shown above, please provide the correspondence email address here. If left blank, all correspondence will be sent to the above given email address.

**Email:** whansen@ccl.ca  
**Contact Name:** Warren Hansen

## ELIGIBILITY

Question	Answer	Warning
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Do all applicants and co-applicants meet the eligibility criteria for the appropriate category as listed below?	Yes	
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Applicants and/or co-applicants who are Individuals must:

1. be 19 years of age or older and
2. must be Canadian citizens or permanent residents of Canada. (Except if you are applying for a Private Moorage)



Applicants and/or co-applicants who are Organizations must either:

1. be incorporated or registered in British Columbia (Corporations also include registered partnerships, cooperatives, and non-profit societies which are formed under the relevant Provincial statutes) or
2. First Nations who can apply through Band corporations or Indian Band and Tribal Councils (Band or Tribal Councils require a Band Council Resolution).

## TECHNICAL INFORMATION

Please provide us with the following general information about you and your application:

### EXISTING TENURE DETAILS

Do you hold another Crown Land Tenure? No

### ALL SEASONS RESORTS

The All Seasons Resorts Program serves to support the development of Alpine Ski and non-ski resorts on Crown land. For more detailed information on this program please see the operational policy and if you have further questions please contact FrontCounter BC.

Are you applying within an alpine ski resort? No

### WHAT IS YOUR INTENDED USE OF CROWN LAND?

Use the "Add Purpose" button to select a proposed land use from the drop down menu.

If you wish to use Crown land for a short term, low impact activity you may not need to apply for tenure, you may be authorized under the Permissions policy or Private Moorage policy.

To determine if your use is permissible under the Land Act please refer to either the Land Use Policy - Permissions or Land Use Policy - Private Moorage located here.

Purpose	Tenure	Period
<b>Roads</b> To tenure an existing legacy road system on crown land between two parcels of privateland on Sakinaw Lake.	Licence of Occupation	Ten to thirty years

### ACCESS TO CROWN LAND

Please describe how you plan to access your proposed crown land from the closest public road: The closest public road is Garden Bay Road and Pender Harbour Landfill Site Road. From this road system, the proponent uses a LOO road tenure (File #2411578) then privateland access on DL4695 to the crownland roads.

### ROADS

Applications are accepted for public and private road development that service Crown land and private parcels. It also includes public road allowances under Section 79 and 80 of the Land Act; roads within Crown land subdivisions; and dedications under the Land Title Act Section 102 and 107 of titled lands.

Note - In the case of industrial roads associated with Clean Energy Projects, and located within the Provincial Forest, an authorization may be applied for here under the Land Act or applied for through the Provincial Forest Use Regulation, Forest Practices Code Act by a Special Use Permit.

**Specific Purpose:** To tenure an existing legacy road system on crown land between two parcels of privateland on Sakinaw Lake.  
**Period:** Ten to thirty years  
**Tenure:** Licence of Occupation

### TOTAL APPLICATION AREA

Please give us some information on the size of the area you are applying for.

**Specify Length:** 423 meters

Specify Width: 20 meters

#### ROAD ACCESS

Do you have a safety reason to exclude the public from this road? No

Does the road access a subdivision, and will become a publicly maintained road? No

#### IMPORTANT CONSIDERATIONS

Selecting yes to any of the following questions may indicate that you will require further or additional authorizations under the Land Act or other legislation.

Is this road related to a Clean Energy project? No

Is this related to a forest service road or a logging road? No

Will this road connect to a public road? No

Will you need fill material to construct this road? Yes

#### ADDITIONAL QUESTIONS

In many cases you might require other authorizations or permits in order to complete your project. In order to make that determination and point you in the right direction please answer the questions below. In addition, your application may be referred to other agencies for comments.

Is the Applicant or any Co-Applicant or their Spouse(s) an employee of the Provincial Government of British Columbia? No

Are you planning to cut timber on the Crown Land you are applying for? Yes

To cut timber on the Crown Land once your tenure has been issued you may require an Occupant Licence to Cut. Check out the website of the forest district responsible for more information or contact them if you have any questions.

Are you planning to use an open fire to burn timber or other materials? No

Do you want to transport heavy equipment or materials on an existing forest road? No

Are you planning to work in or around water? No

Does your operation fall within a park area? No

#### LOCATION INFORMATION

#### LAND DETAILS

#### DRAWINGS

Please provide information on the location and shape of your Crown land application area. You can use one or more of the tools provided.

☒ I will upload a PDF, JPG or other digital file(s)

#### MAP FILES

Your PDF, JPG or other digital file must show your application area in relation to nearby communities, highways, railways or other land marks.

Description	Filename	Purpose
Key Map - 1:50000	Key Map - LOO Application.pdf	Roads

☒ I will upload files created from a Geographic Information System (GIS)

#### SPATIAL FILES

Do you have a spatial file from your GIS system? You can upload it here.

NOTE: If uploading a .shp, please ensure that it is a polygon that has been projected in BC Albers in NAD83 format.

Description	Filename	Purpose
Application Road Shapefile 20m buffer	Application Roads Sakinaw_2...	Roads
Application Road Shapefile 20m buffer	Application Roads Sakinaw_2...	Roads
Application Road Shapefile 20m buffer	Application Roads Sakinaw_2...	Roads
Application Road Shapefile 20m buffer Projection BC Albers	Application Roads Sakinaw_2...	Roads
Application Road Shapefile 20m buffer Projection BC Albers	Application Roads Sakinaw_2...	Roads
Application Road line Shapefile	Application Roads Sakinaw_1...	Roads
Application Road line Shapefile	Application Roads Sakinaw_1...	Roads
Application Road line Shapefile	Application Roads Sakinaw_1...	Roads
Application Road line Shapefile projection BC Albers	Application Roads Sakinaw_2...	Roads

#### ATTACHED DOCUMENTS

Document Type	Description	Filename
General Location Map	Key Map	Key Map - LOO Application.pdf
Management Plan	Management Plan - Version Oct 29 2018	South Sakinaw Road Applica...
Site Plan	Road Assessment Report Oct 29, 2018	Thomson Road Assessment - O...
Site Plan	Road Upgrade Plan Map	Crown Land Road Application...

#### PRIVACY DECLARATION

☒ Check here to indicate that you have read and agree to the privacy declaration stated above.

#### REFERRAL INFORMATION

Some applications may also be passed on to other agencies, ministries or other affected parties for referral or consultation purposes. A referral or notification is necessary when the approval of your application might affect someone else's rights or resources or those of the citizens of BC. An example of someone who could receive your application for referral purposes is a habitat officer who looks after the fish and wildlife in the area of your application. This does not apply to all applications and is done only when required.

Please enter contact information below for the person who would best answer questions about your application that may arise from anyone who received a referral or notification.

**Company / Organization:** Chartwell Consultants Ltd  
**Contact Name:** Warren Hansen  
**Contact Address:** 210-275 Fell Ave  
North Vancouver, BC  
V7P 3R5  
**Contact Phone:** 604-740-7105  
**Contact Email:** whansen@ccl.ca

☒ I hereby consent to the disclosure of the information contained in this application to other agencies, government ministries or other affected parties for referral or First Nation consultation purposes.

**IMPORTANT NOTICES**

- Once you click 'Next' the application will be locked down and you will NOT be able to edit it any more.

**DECLARATION**

☒ By submitting this application form, I, declare that the information contained on this form is complete and accurate.

**APPLICATION AND ASSOCIATED FEES**

Item	Amount	Taxes	Total	Outstanding Balance
Crown Land Tenure Application Fee	\$250.00	GST @ 5%: \$12.50	\$262.50	\$0.00

**PROJECT INFORMATION**

Is this application for an activity or project which requires more than one natural resource authorization from the Province of BC? No

**APPLICANT SIGNATURE**

Applicant Signature

Date

**OFFICE USE ONLY**

Office Surrey	File Number 2412156	Project Number 377710
	Disposition ID	Client Number

OTL ROAD COMPANY LTD.

300 - 565 Great Northern Way  
Vancouver, BC  
V5T 0H8

Phone: 604.331.4904

# MANAGEMENT PLAN

## SOUTH SAKINAW ROADS

### #1, #2 AND #3

PERMIT NO.: \_\_\_\_\_ FILE NO.: \_\_\_\_\_



**Chartwell Consultants Ltd**  
205-938 Gibsons Way  
Gibsons, BC  
V0N 1V7

**Contact: Warren Hansen, RPF**  
Phone: 604-973-1117  
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Version June 18, 2019

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# Management Plan for a Roadway Licence of Occupation

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## 1.0 Background

### 1.1 Project Overview

*Describe project for which authorization is requested, including construction and/or phased development details:*

OTL ROAD COMPANY LTD. (OTLRC) is applying for Licence of Occupation for an existing road through crown lands providing access to DL4694 and DL4695 located on the south side of Sakinaw Lake on the Sunshine Coast. The closest community, Madeira Park, is located approximately 7.2km to the southwest of these roads.

Roads in these areas have long served the residents of Sakinaw to provide access to their cabins and properties along the shoreline. The roads contained in this application were built in the late 1960's and are maintained by the residents. In 1986, as part of Subdivision Plan #21260, for DL4695, parts of DL4695, along with the applicant roads was returned to crown. Coinciding with future subdivision plans, these crown land roads need to be permitted in order to be upgraded and maintained as part of the future development.

OTLRC uses the roads for access to their land interests and continues to maintain the road to prevent a state of disrepair. The crown roads under application are fully described in the "Road Assessment Report" completed by Chartwell Consultants Ltd. attached to this plan.





Figure 1: Current condition of application roads

## 1.2 Investigative Work

*If any preliminary investigative work has been carried out, with or without an investigative authorization, provide details on work completed, incomplete or on-going from previous term.*

Activity	Brief Description of Activity	Status (e.g. Complete; Incomplete; Ongoing)	Comments / Milestones
No activity completed	N/A	N/A	N/A

## 1.3 Confirmation of Safety Plan

Your Project must meet the Occupational Health and Safety (OHS) criteria set out by WorkSafe BC. **Does your Project meet these criteria?**

Yes: ☒ No: ☐

## 2.0 Location

### 2.1 Description

*Provide a general description of the location of the project:*

The roads covered under this application are located approximately 7.2km NE from the community of Madeira Park and within the unincorporated area of Pender Harbour. Specifically, these roads are located on the south side of Sakinaw Lake. The roads link DL4694 and DL4695.

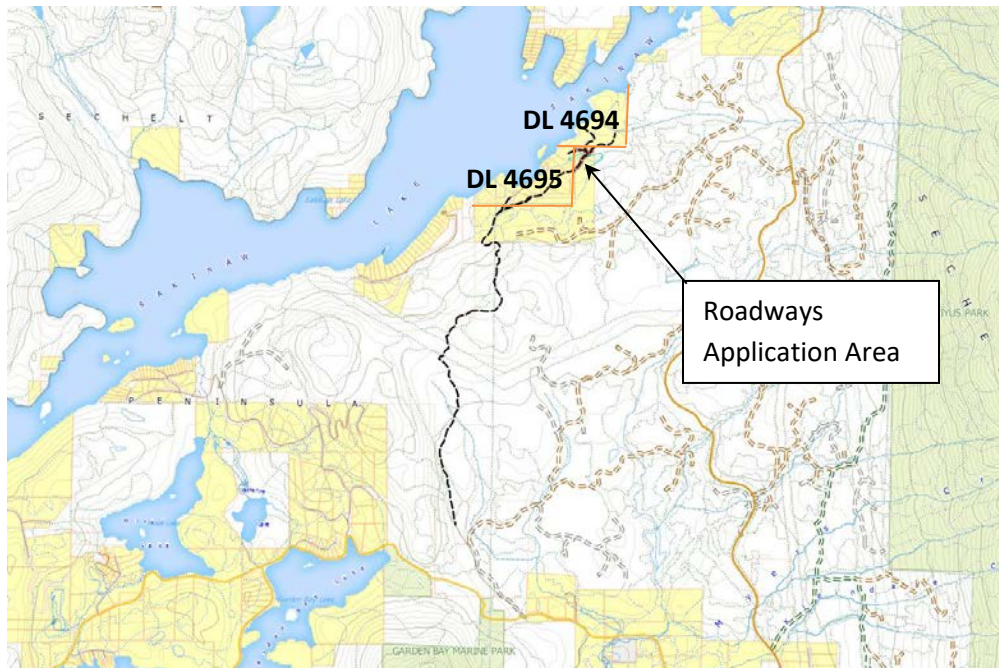


Figure 2: Overview Map showing general location of roads relative to District Lots.

### 2.2 Location Justification

*Provide your reasons/justification of the need for this type of project at this location:*

The roads are existing access routes providing access to the owners of DL 4695 and DL 4694 and required for the owners an egress from their lands.

There are no other access options to the properties other than boat or float plane.

## 2.3 Seasonal Expectations of Use

*When will the Project require use of the land? Include information on key works during construction phases as well as operations phase. Please reference reduced risk fish windows as required by DFO:*

Project Phase (Construction / Operations)	Brief Description of Activity / Works	Season
Operations	See Appendix A – Road Assessment Report	Ongoing

## 3.0 Infrastructure and Improvements

### 3.1 New Facilities and Infrastructure

*Detail any new facilities, infrastructure or processes proposed and any ancillary uses. Provide details of planned construction methods and materials, and construction scheduling.*

Facility/Infrastructure/Process	Construction Methods/Materials	Construction Schedule
The road will be upgraded to a Class 5 road standard as specified in the BC Forestry Engineering Manual. A future private 25kv powerline placed along the road and clearing for this powerline will be applied for in a separate application.	See Appendix A – Road Assessment Report. The road is to be widened, brushed, ditched, ballasted and surfaced.	Spring 2020

The roads will be widen to 12m to facilitate a wider road surface of 5m with pullouts, ditches and culverts to be installed. At minimum, OTL Road Company will follow the Chartwell Report as attached.

### 3.2 Access

*Identify existing and proposed roads used for access and their use by season. Include any proposed connections to public or Forest Service Roads; traffic information including volume of traffic during construction/operation and phase or season that the traffic is expected:*

Roadway / Proposed Connection	Existing / Proposed	Existing Road Classification	Road Permittee Information and Road Use Agreements	Traffic Volume		Mitigation of Traffic Effects
				Construction Phase	Operations Phase	
Pender Harbour Landfill Road	Existing	Public, rural, two-way, two-lane	Not required	Minimal – one to two trucks per day – 10 days	Landowner traffic	No planned mitigation
Strata Plan VR1414 Road - Crown	Existing	Public, two way, one lane – LOO #241368 File #2409986	Road Use Agreement currently under application	Minimal – one to two trucks per day – 10 days	Landowner traffic	No planned mitigation
1023019 BC Ltd Saunders Roads - Crown	Existing	Public, two way, one lane – LOO #243083 File #2411578	Road Use Agreement currently under application	Minimal – one to two trucks per day – 10 days	Landowner traffic	No planned mitigation
Strata Plan VR1414 Road - Private	Existing	Private, two way, one lane – LOO #241368 File #2409986	Road Use Agreement currently under application	Minimal – one to two trucks per day – 10 days	Landowner traffic	No planned mitigation
1023019 BC Ltd Saunders Roads – Private	Existing	Private, two way, one lane.	Reciprocal landowner easements	Minimal – one to two trucks per day – 10 days	Landowner traffic	No planned mitigation

The proponent utilizes existing public access via Pender Harbor Landfill Road and roads held by Strata Plan VR1414 (File 24009986) and 1023019 BC Ltd (File 2411578), then through DL 4695, by way of reciprocal subdivision easements to the crown land roads (application roads)

### 3.3 Utility Requirements and Sources

*Describe utility requirements and sources, include agreements in place or underway allowing access to utilities:*

Utilities are built approximately 125m from the application area. The Proponent plans to submit a separate Licence of Occupation application to continue with bringing power and communication utilities along the application roads serving the landowners beyond the application area. These utilities will be privately installed, maintained and will consist of a single phase 12.5kv distribution powerline and telecommunications. Standard BC Hydro electrical drawings will be used for construction and installation.

### 3.4 Water Supply

*Identify water requirements for construction and operation phases (e.g. surface water and/or groundwater), including sources, location, volume and a general description of infrastructure planned to meet water supply requirements, include any agreements outside of Water Act Authorizations identified above (Section I, Authorizations, Permits or Approvals), such as Municipal water supply.*

Project Phase (Construction / Operations)	Water Requirement (e.g. surface water or ground water etc.)	Source / Location	Volume	Infrastructure Description	Agreements
Not Applicable					

### 3.5 Waste Collection Treatment and Disposal

*Identify water requirements for construction and operation phases (e.g. surface water and/or groundwater), including:*

Project Phase (Construction / Operations)	Water Requirement (e.g. surface water or ground water etc.)	Source / Location	Volume	Infrastructure Description	Agreements
Not Applicable					

No water will be diverted or used during operations.



## 4.0 Environmental

*Describe any significant impacts and proposed mitigation for the following environmental classes:*

### 4.1 Land Impacts

#### 4.1.1 Vegetation Removal

**Is any timber removal required?**

Yes: ☒ No: ☐

**Are any areas of vegetation to be cleared, outside of timber removal?**

Yes: ☐ No: ☒

Removal Type	Potential Effects	Proposed Mitigation
Clearing of trees within the 12m application road right of way. The road exists and the planned clearing activities will widen the corridor from 8m to 12m wide.	Bird nesting disturbance and incidental take	Conduct clearing activities outside the bird nesting windows between March 15 <sup>th</sup> to August 15 <sup>th</sup> , unless a Qualified Registered Professional conducts a clearing survey to ensure no disturbance of nesting bird activity.
	Direct ecosystem alteration and loss	Clearing width will be to the extent necessary to ensure a safe and stable road system, and includes pull outs, parking, ditches and stable fill slopes. Clearing up to 12m wide.
	Surface disturbance	As the road currently exists, Proponent will minimize disturbance by ensuring that areas outside the road prism will be vegetated with low lying native shrubs.
	Soil erosion	Soil erosion will be mitigated by following Standard Operating Procedures (attached to this plan) for road construction, maintenance and deactivation and following rainfall shutdown procedures. Grass seed exposed cuts/fills. Install erosion control measures during construction activities. Install sumps and armour culvert outlets. Outslope and crown the road surfaces where ditchlines are not installed.

Removal Type	Potential Effects	Proposed Mitigation
	Dust	Use coarse surfacing material
	Introduction, establishment and spread of invasive plants	Grass seed exposed cut/fills. Remove existing invasive species in the approve manner to prevent spread. Inspect, wash and clean equipment prior to coming or leaving the site.

#### 4.1.2 Soil Disturbance

**Will there be any areas of soil disturbance, including clearing, grubbing, excavation and levelling?**

Yes: ☒ No: ☐

Removal Type	Potential Effects	Proposed Mitigation
Clearing, grubbing, excavation of ditches, and culverts	Bird nesting disturbance and incidental take	Conduct clearing activities outside the bird nesting windows between March 15 <sup>th</sup> to August 15 <sup>th</sup> , any year, unless a Qualified Registered Professional conducts a clearing survey to ensure no disturbance of nesting bird activity.
	Direct ecosystem alteration and loss	Clearing width will be to the extent necessary to ensure a safe and stable road system, and includes pull outs, parking, ditches and stable fill slopes. Up to the cleared up to 20m wide
	Surface disturbance	As the road currently exists, Proponent will minimize disturbance by ensuring that areas outside the road prism will be vegetated with low lying native shrubs.
	Soil erosion	Soil erosion will be mitigated by following Standard Operating Procedures (attached to this plan) for road construction, maintenance and deactivation and following rainfall shutdown procedures. Grass seed exposed cuts/fills. Install erosion control measures during construction activities. Install sumps and armour culvert outlets.

Removal Type	Potential Effects	Proposed Mitigation
		Outslope and crown the road surfaces where ditchlines are not installed.
	Dust	Use coarse surfacing material
	Introduction, establishment and spread of invasive plants	Grass seed exposed cut/fills. Remove existing invasive species in the appropriate manner to prevent spread. Inspect, wash and clean equipment prior to coming or leaving the site.

**Is the area to be excavated a Brownfield site or has the potential to be contaminated?**

Yes: ☐ No: ☒

**Is there potential for disturbance of archaeological, paleontological fossils or historical artifacts?**

Yes: ☐ No: ☒

In Situ Consulting Inc., on behalf of Sechelt First Nations completed a Preliminary Archaeology Field Assessment. The application area is considered to have a low archaeological potential and no further archaeological assessment work is necessary. However, if an archaeological finding is discovered during activities, work must stop and the Proponent will notify Sechelt First Nations.

#### 4.1.3 Riparian Encroachment

**Will any works be completed within or adjacent to the riparian zone of any water body?**

Yes: ☐ No: ☒

*Identify all works that may affect the Riparian zone, the impacts, and proposed mitigations:*

Work Type	Potential Effects	Proposed Mitigation
No planned works within riparian areas		No riparian areas will be impacted, however, a small non-classified drainage will be crossed with a 500mm culvert to be installed.



#### **4.1.4 Pesticides and Herbicides**

**Will there be any use of pesticides or herbicides during construction, operations and/or maintenance?**

Yes: ☐ No: ☒

#### **4.1.5 Visual Impacts**

**Will there be any adverse effects of the projects and any potential adverse effects on sight lines to the project area from surrounding areas likely to be used for scenic viewing by residents or other users?**

Yes: ☐ No: ☒

#### **4.1.6 Archaeological Sites**

**Are there any known or high potential (Arch Procedure) archaeological sites within the project area?**

Yes: ☐ No: ☒

**Have you conducted an AIA or engaged an archaeologist to assist with your investigations?**

Yes: ☒ No: ☐

*Please include information or reports generated:*

In Situ Consulting Inc., on behalf of Sechelt First Nations completed a Preliminary Archaeology Field Assessment. The application area is considered to have a low archaeological potential and no further investigations are not recommended. However, if an archaeological finding is discovered during activities, work must stop and the Proponent will notify Sechelt First Nations.

#### 4.1.7 Construction Methods and Materials

*Identify the types of construction materials, the methods used, their impacts, and any mitigations:*

Construction Material / Method	Potential effects	Mitigations
Road will be constructed using local materials on site	Introduction, establishment and spread of invasive plants	Imported fills will be manufactured on site or nearby and free from invasive plants.

Note: Other materials and methods and their potential effects are covered under the applicable sections above and not repeated here.

## 4.2 Atmospheric Impacts

### 4.2.1 Sound, Odor, Gas or Fuel Emissions

**Will the project construction or operation cause any of the following to disturb wildlife or nearby residents:**

Yes: ☒ No: ☐

*Explain the current conditions, source, type and range of emission. Provide a description of atmospheric effects from proposed construction, operation, and decommissioning phases. Also include proposed mitigation measures to manage or mitigate adverse effects.*

**Odor?**

Yes: ☐ No: ☒

**Gas?**

Yes: ☒ No: ☐

**Fuel Emissions?**

Yes: ☒ No: ☐

*Explain the current conditions, source, type and range of emission. Provide a description of atmospheric effects from proposed construction, operation, and decommissioning phases. Also include proposed mitigation measures to manage or mitigate adverse effects.*

Emission Source	Current Conditions	Potential Effects	Proposed Mitigations / Management
Industrial traffic – noise, fuel emissions during refueling.	During construction, proponent expects to use industrial equipment such as a rock truck, compactor and excavator.	Sudden noise may scare off nearby wildlife and disturb residents along the lake.	Exposure to source limited to the construction phase of the project – project works to take approximately 10 days to complete. Afterwards noise and fuel exposure limited to residents using the road system. Adhere to the SCRD noise bylaws for construction activities.
Construction - Dust	During construction, depending on dry conditions, dust may be an issue.	Irritated health issues,	Use dust control methods.
Fueling of Machines	Fueling of machines are conducted onsite during construction. Once daily. Fuel is typically diesel or bio-fuel.	Introduction of fuel emissions to the local environment.	Exposure to source limited to once daily refueling periods – Follow standard fueling procedures for fueling machines. Store and dispense fuel from approved tanks or containers. Follow the ERP SOPS to mitigate fuel leakage and spills. Spill Kits are required during construction.

### 4.3 Water or Land Covered by Water Impacts

#### 4.3.1 Drainage Effects

Will the project result in changes to land drainage?

Yes: ☐ No: ☒

#### 4.3.2 Public Access

Will the project result in changes to public access?

Yes: ☐ No: ☒

Describe the potential effect or impact and include plans for mitigation/management:

Effect	Potential Effects	Proposed Mitigations / Management
Access to application road requires crossing private lands by way of an easement	As existing roads are mostly used by the local residents, there is a neutral effect of on public access.	No change in public access anticipated.

#### 4.3.3 Flood Potential

Will the project result in a potential for flooding?

Yes: ☐ No: ☒

#### 4.4 Fish and Wildlife Habitat Impacts

##### 4.4.1 Disturbance to Wildlife and Wildlife Habitat

Will the project result in adverse effects to wildlife or wildlife habitat?

Yes: ☒ No: ☐

*Provide a description of any potential adverse effects to wildlife and wildlife habitat from proposed construction and operation (including seasonal considerations, potential adverse effects from changes to access by hunters and fishers, along with proposed measures to mitigate adverse effects).*

Project Phase	Potential Effects	Value Components	Proposed Mitigations / Management
Construction Clearing, excavation and widening	Sensory Disturbance	Disturbance to nesting or fledging birds.	Conduct clearing activities outside the bird nesting windows between March 15 <sup>th</sup> to August 15 <sup>th</sup> , unless a Qualified Registered Professional conducts a clearing survey to ensure no disturbance of nesting bird activity.
	Sensory Disturbance	Disturbance to elk, deer and bear	Limit exposure to daylight hours
	Alteration of movement patterns	Elk, deer and bear	As road is previously existing, alteration of movement patterns is expected to be negligible.
	Alteration of habitat	Birds and mammals	As road is previously existing and that habitat exists on both sides of the road right of way, alteration of habitat will be minor (ie 12m cleared existing to 20m clearing proposed).

**Will the project (construction or operations phase) occur in and around streams, lakes, estuarine or marine environments?**

Yes: ☐ No: ☒

*Describe the fish habitat on or near the project site, include potential impacts of the Project (e.g. stream crossings, water diversions, etc.), including seasonal considerations, and plans to manage/mitigate effects.*

Project Phase and Environmental Setting	Potential Effects	Proposed Mitigations / Management
Not required		

Project does not occur in and around streams, lakes, estuarine or marine environments. Application area is approximately 100m away at its nearest point to Sakinaw Lake.

**Is the project (construction or operations phase) likely to increase erosion or sedimentation?**

Yes: ☐ No: ☒

**Will the project (construction or operations phase) require water diversion?**

Yes: ☐ No: ☒

**Will the project threaten or endanger species at risk in the area?**

Yes: ☐ No: ☒

A check with the Conservation Data Center (Province of British Columbia., 2018) indicated that Sakinaw Lake contains western painted turtle. The application roads are 100m away from its nearest point with no known egg laying beaches or beds near the roads.

A check with the Sensitive Ecosystem Inventory (Province of British Columbia., 2018) indicated that the roads reside in Polygon 3301. The biogeoclimatic zone is CWHxm1 and in mature forest. The polygon indicates wetlands which are scattered in this hummocky rocky terrain. Vegetation listed in the polygon type are wetland related species, including the red listed Western Red Cedar – Sitka Spruce – Skunk Cabbage plant community. However, the road traverses along rockier types and in the more common Douglas-fir/Salal type (very dry maritime, 03). It is important to ensure that sediment captured by the road is settled before reaching these wetland areas.

*3301*

*CWHxm1*

*6WN:sp RC5*

*2WN:sp HS3b*

*2WN:fn MS3a*

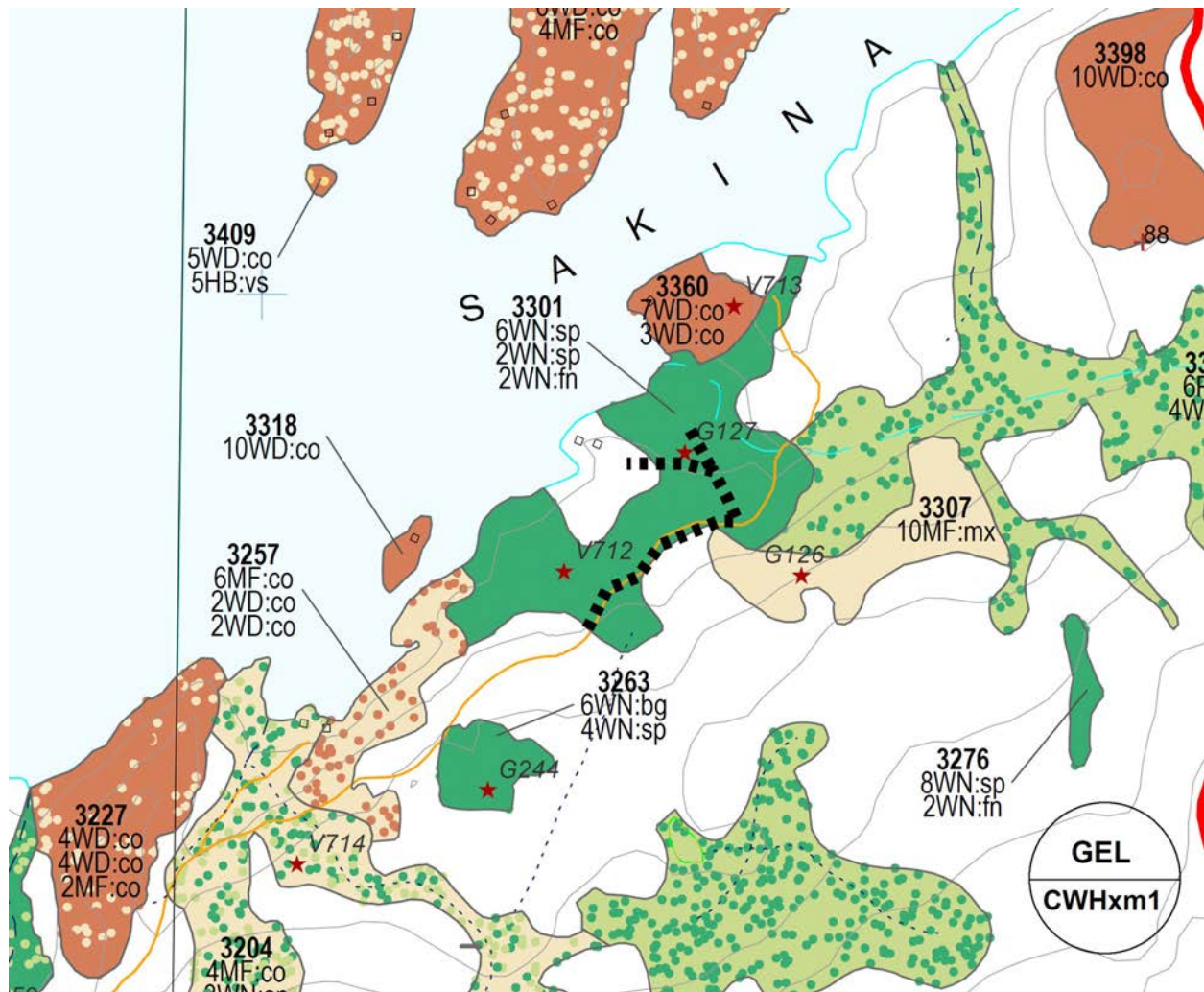


Figure 3: Roads in related to the Sensitive Ecosystem Mapping

### How and what mitigation is planned?

Project Phase	Potential Effects	Proposed Mitigations / Management
Construction	Sediment delivery to wetlands downslope	Follow the plan. Ensure that rainfall shutdown procedures are followed during construction. Use coarse road surfacing for capping the road. Use sumps and armouring on outlets

## 5.0 Socio-Community

### 5.1 Land Use

*Describe the current community setting on or near the project area, including the location of non-aboriginal and aboriginal communities or known use areas:*

The Sunshine Coast, specifically in and around the Pender Harbour is characterized by the following (Sunshine Coast Regional District , 2018):

Population 2,624 (2016 Census)

Growth Rate -2% (2011 Census)

Dwellings 1,381 occupied private dwellings

Area 1,901 sq. km.

Located at the northern end of the Sunshine Coast Peninsula, the Pender Harbour area is a complex maze of inlets, islands, coves, and lakes. With more than 100 miles of shoreline reaching three miles inland, the Egmont/Pender Harbour area is home to several marinas and numerous tourist accommodations, artists' studios, local shops, restaurants, a health centre and Pender Harbour School of Music.

There are several fresh water swimming lakes in the area, as well as extensive hiking and mountain bike trails and diving spots.

The scattered community of settlements clustered around the actual harbour includes Madeira Park, Beaver Island, Garden Bay and Irvines Landing. To the north are Kleindale, Sakinaw Lake, Ruby Lake, Earl's Cove, Egmont, Skookumchuck Narrows and the waterways up Jervis Inlet.

#### Special Visual Values – shíshálh Nation

Referring to shíshálh First Nation Strategic Land Use Plan (Dovetail Consulting-Sechelt Indian Band, June 2007), the Sakinaw and Ruby Lake areas hold special value for tourism development and spiritual kinship of the Nation. shíshálh Nation lands are located in the vicinity of these lakes and the Nation's past use of the lands is undisputed. The document "A Strategic Land Use Plan for the shíshálh Nation" (Dovetail Consulting-Sechelt Indian Band, June 2007) provides a plan and direction for tourism services and infrastructure.



*“shíshálh territory includes a diverse range of scenic landscapes from seaside to mountain tops offering a wide range of recreational and tourism values and opportunities. Most shíshálh band lands are located on the waterfront, offering a natural land base for the development of tourism infrastructure and recreational experiences. Access to band lands varies considerably, from boat or floatplane access for Band lands in lékw’émin (Jervis Inlet) and stl’íkwu (Skookumchuck), walk in access for Saughanaught (#22) and ?ulhkayem (#4) and road access for the remainder.*

*The shíshálh Nation has a number of entrepreneurs who currently own and operate businesses that cater in full or in part to tourists. These businesses include fishing tours, kayaking tours and instruction, First Nations art and cultural workshops, medicinal plant tours, nature tours, clothing design, and catering. There are well over 100 adventure/recreation businesses on the Sunshine Coast, several of which are owned by First Nations individuals. In addition, there are numerous shíshálh artists producing fine arts, dancers, singers and performing artists, individuals who provide storytelling and language instruction, and several shíshálh members who provide education in traditional medicine.”*

**kálpilín - stséxwena kw’enit sim alap (Pender Harbour – Sakinaw Cultural Emphasis Area)** (Dovetail Consulting-Sechelt Indian Band, June 2007)

### **Area Description**

The kálpilín – stséxwena kw’enit sim alap (Pender Harbour – Sakinaw Cultural Emphasis Area) comprises approximately 10,623 hectares and contains an extremely high concentration of shíshálh cultural use and occupation sites, cultural features and archaeological evidence. Located at the heart of the historically most populous region in the territory, this area was the site of the main winter villages of the shíshálh people, and included a great many well-protected home sites and productive harvest locations with varied marine and terrestrial resource opportunities. To the north, an extensive lake district was used for hunting and fishing with main camps at stséxwena (Sakinaw Creek) and kwíkwilúsin (east side of Sakinaw Lake) and lóh-uhlth (Mixel Lake).

Key Values, Including:

- Extremely high cultural and spiritual values, including:
  - Very high concentration of shíshálh cultural use, occupation, and archaeological sites;
  - séxw?ámin (Garden Bay) could be considered the “centre of the shíshálh universe”; it was a year round village by virtue of its sheltered location, and served as a gateway to transportation corridors on sinkwu (Georgia and Malispina Strait) and lékw’émín (Jervis Inlet) via líkw’émín (Agamemnon Channel);
  - Includes main winter villages of poke-poke-um (Bargain Harbour), sálálus (Madeira Park), smexhalin (Kleindale), kway-ah-kuhl-ohss (Myer’s Creek), and séxw?áwinl (Garden Bay);
  - Primary location for winter dances and ceremonials;
  - Many lakes on upper Sechelt Peninsula were favoured harvest sites;
  - Fishing at Ruby, Ambrose and stséxwena (Sakinaw) lakes for Rainbow Trout, and hunting, primarily for húpit (Black Tailed Deer), in adjacent forests;
  - Wide variety of seasonal settlements and camps to facilitate harvesting of local resources.
  - wah-wey-we’-lath (Mt Cecil) and shélkém (Mt Daniel) were important local mountain peaks used for a variety of cultural and spiritual purposes and in defense;
  - Numerous fish weirs, canoe skids, ceremonial sites, archaeological sites.
- High wildlife/biodiversity values, including:
  - Extensive and intensive foreshore, inter-tidal and marine harvesting of resources.

**5.1.1 Land Management Plans and Regional Growth Strategies**

*Are there any land and resource management plans, coastal plans, provincial, regional growth strategies or local government plans with zoning, or management policies or use restrictions in place that could limit or preclude your proposed use of the land?*

Yes: ☐ No: ☒

## 5.2 Socio-Community Conditions

### 5.2.1 Adjacent Users or Communities

*Is the project likely to restrict public access, or the ability, or the ability of adjacent land owners or tenure holder to access their property or tenures?*

Yes: ☐ No: ☒

### 5.2.2 Existing Services

*Provide a description any increased demand on fire protection and other health facilities and emergency services arising from your Project, including proposed management or mitigation measures:*

The planned works are not anticipated to cause an increase in demand on fire protection and other health facilities and emergency services.

### 5.2.3 First Nations Consultation

*Describe any contact you may have had, including the name of the First Nation(s) and representatives contacted:*

Consultation specifically related to the proposed application will be undertaken with the shíshálh First Nation during the permit process.

## 6.0 Appendices

### 6.1 Works Cited

Dovetail Consulting-Sechelt Indian Band. (June 2007). *A Strategic Land Use Plan for the shíshálh Nation*. Sechelt, BC: Sechelt Indian Band.

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**End of Document**



Application Area

SPIPIYUS PARK

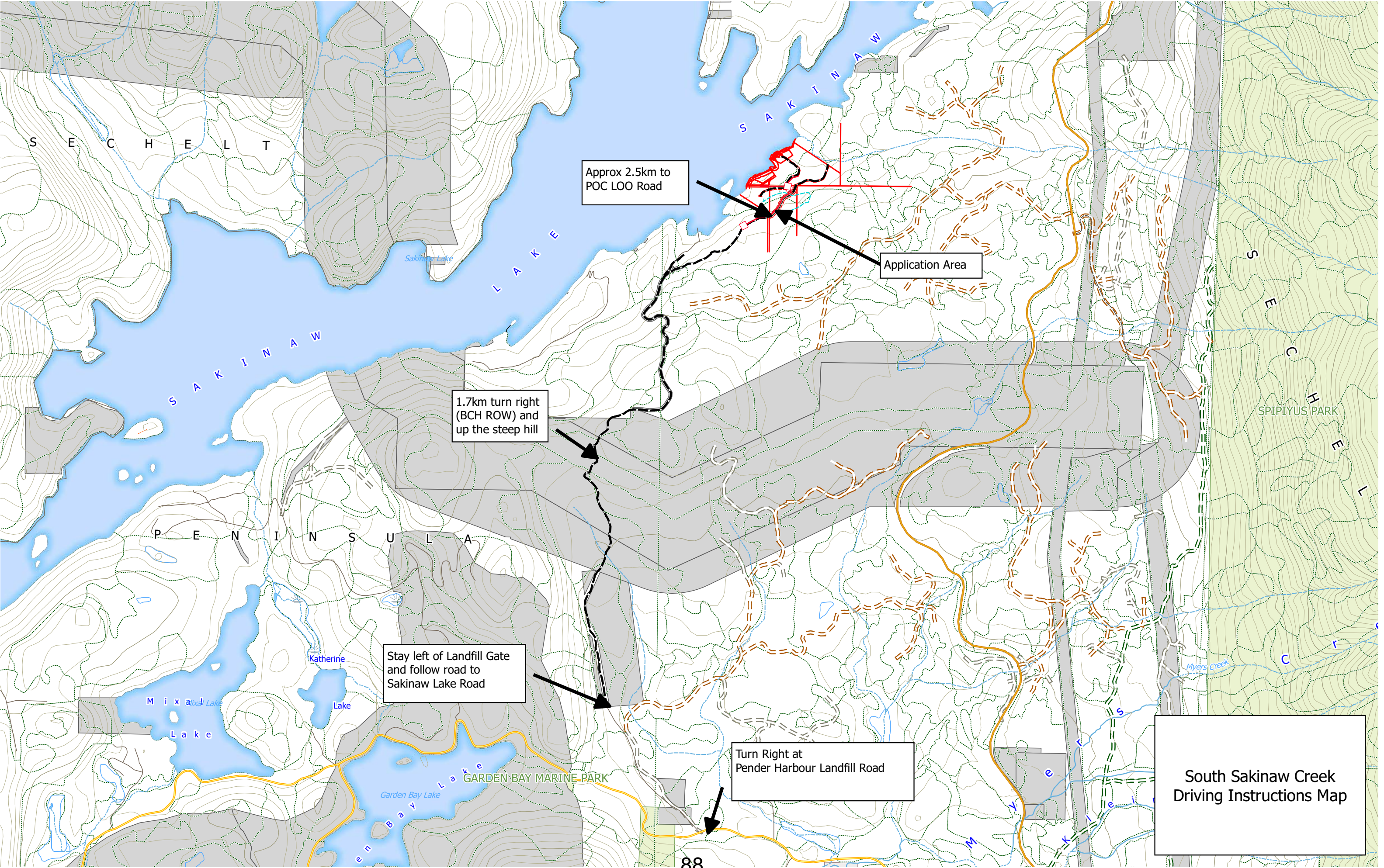
GARDEN BAY MARINE PARK

Garden Bay

Madeira Park

South Sakinaw Creek  
LOO Application  
Key Map





Approx 2.5km to  
POC LOO Road

Application Area

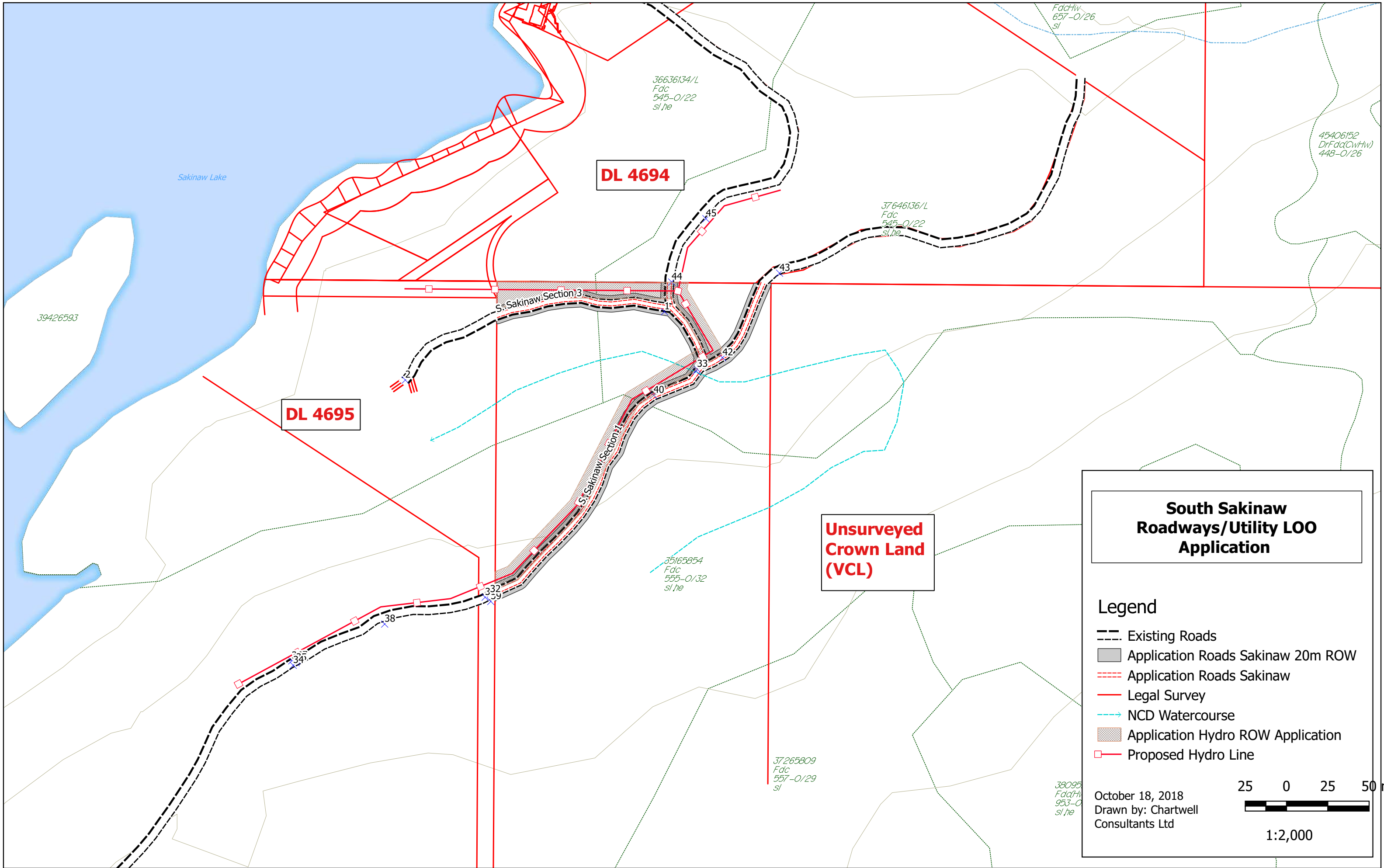
1.7km turn right  
(BCH ROW) and  
up the steep hill

Stay left of Landfill Gate  
and follow road to  
Sakinaw Lake Road

Turn Right at  
Pender Harbour Landfill Road

South Sakinaw Creek  
Driving Instructions Map





## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Planning and Community Development Committee – January 9, 2020

**AUTHOR:** Kevin Clarkson, Parks Superintendent

**SUBJECT:** DAKOTA RIDGE VOLUNTEER KIOSK DONATION

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### RECOMMENDATION(S)

**THAT the report titled Dakota Ridge Volunteer Kiosk Donation be received;**

**AND THAT SCRD accept donation of volunteer kiosk from the Tetrahedron Outdoor Club;**

**AND THAT the delegated authorities be authorized to execute the donation;**

**AND FURTHER THAT the recommendation be forwarded to the Regular Board meeting of January 9, 2020.**

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### BACKGROUND

Dakota Ridge Winter Recreation Area receives approximately 8,000 visitors per year. Community members donate approximately 2,000 hours of volunteer time annually to help with operating the facility. On weekends, visitors are often greeted by Trail Host volunteers who act as ambassadors to the facility on behalf of the SCRD. Trail Hosts stand out in the elements while they meet and greet visitors, sell passes, provide information, and generally help with operations. As such, Trail Host volunteers are critical to delivering a high-quality of service to the public, and they are also often subjected to poor weather conditions during the coastal winter operating season which can include snow, wind and freezing rain.

SCRD seeks to manage volunteer comfort by providing warm winter jackets. Recently, an opportunity to enhance volunteer comfort and experience was brought forward to SCRD for consideration. The Tetrahedron Outdoor Club, a long-time supporter of Dakota Ridge, has offered to donate a small, portable kiosk for volunteer protection.

### DISCUSSION

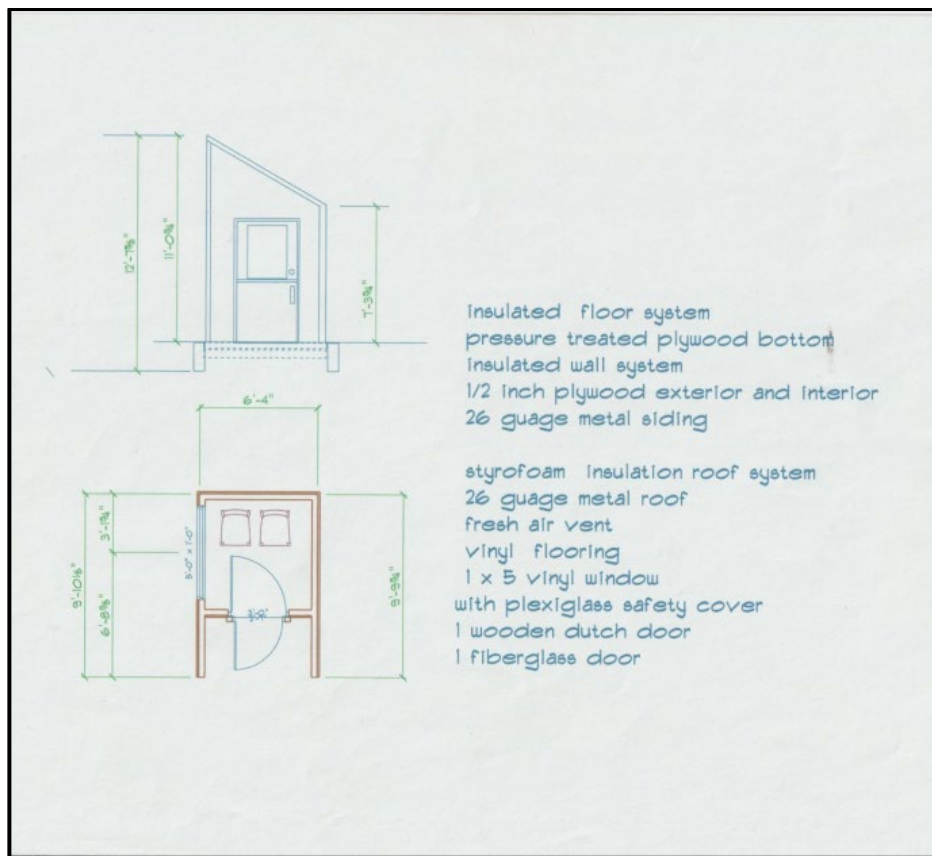
In early December 2019, the Tetrahedron Outdoor Club approached the SCRD with a proposal to donate a professionally designed and built, 6'x10' axle mounted kiosk to the SCRD on a temporary one year trial basis to provide shelter for 2-3 volunteers. The overall project and donation is aimed at increasing "enjoyability" for the volunteers at Dakota Ridge, as volunteer recognition, support and retention are cornerstones of the Dakota Ridge program.

In addition to providing an improved volunteer experience, the kiosk has been constructed with two additional amenities that offer safety and operational improvements. The kiosk will support the installation of solar panels, which will help charge telecommunications equipment like radios and cell phones which are important components of Dakota Ridge operations. As well, the kiosk will be equipped with an installed cell phone booster; effectively boosting reception coverage in a 2km radius area.



Dimensions of the volunteer kiosk are 6' wide by 10' long by 13' high. The structure features insulated floor, wall and roof system, 26-gauge metal siding and roof, vinyl flooring air vent, and double doors, also including vandalism and theft deterrence features.





*Figs. 1-4. Design and construction details of the Dakota Ridge Volunteer Kiosk*

The kiosk was designed and constructed by Barry Maedel, founder of Click Modular Homes. It does not have a built-in heating system (a portable gas heater might be safely used). It has cold air intake to provide appropriate ventilation. The shelter will be mounted on a single-axle trailer with a capacity of approximately 1,500 lbs.

#### *Offer of Donation*

It is the intention of the Tetrahedron Outdoor Club to donate the volunteer kiosk, all electronics, power equipment, and trailer to the SCRD. The donation offer terms have been presented with 2 options:

#### Option 1- Donation and Use of the Volunteer Kiosk, Following a 1-Year Trial Period

Accept the donated volunteer kiosk after a trial period of 1 year. The 1 year trial, or interim year is intended to provide enough administrative and coordination time to finalize the donation agreement prior to the 2020-2021 operating season at Dakota Ridge. A trial period will allow expedited delivery of the kiosk on-site at Dakota Ridge early in 2020 to assist with early 2020 operations.

As such, this donation option has two components:

- A. One-year use of the kiosk, including delivery at the beginning of the season
- B. Pending results of the one-year trial, donation of the capital asset

Option 2-Immediate Donation and Use of the Volunteer Kiosk (Preferred and Recommended)

Accept the donated volunteer kiosk immediately. This option would see the SCRD assuming the capital asset now and would negate the requirement of a 1 year trial period. This is the preferred option and is recommended by staff.

*Intergovernmental Implications*

As Dakota Ridge is a provincial recreation site, administered by Recreation Sites and Trails BC (RSTBC), and managed on behalf of the Province by SCRD through a partnership agreement, approval for the placement of additional volunteer kiosk structure at the site is required.

As of December 20<sup>th</sup> 2019, the RSTBC Area Manager has permitted the use of the volunteer kiosk at Dakota Ridge as a warming kiosk for volunteers. However, if in the future the SCRD is looking at making this a permanent structure on the site (i.e. with a foundation), an update to the partnership agreement would be required to include this structure.

*Financial Implications*

The estimated value of the new volunteer kiosk is approximately \$20,000. The Tetrahedron Outdoor Club has issued receipts for the trailer (\$2500), the structure (\$11,000) and all associated electronics (3 radio charging stations, 2 cell phone chargers, 1 cell phone booster associated batteries and 2 solar panels worth \$5,000-\$7,000). This is required by Canada Revenue Agency (CRA) in establishing the fair market value (FMV) of the asset acquired by the SCRD.

The Tetrahedron Outdoor Club has agreed to deliver the kiosk and they will cover the cost of a transportation and insurance policy.

Following site delivery, the SCRD will be required to maintain insurance on the structure for the coming year and subsequent years moving forward. Financial implications to the SCRD associated with the 1-year trial would be up to an additional \$1,000 for insurance to cover liability. SCRD current liability coverage would extend to cover the SCRD for its use of this structure. However, additional future insurance costs will be incurred if the trailer/kiosk is licensed for travel from Dakota Ridge, as current SCRD insurance would not extend to cover it then, and additional travel policies would need to be purchased. SCRD Parks however, intends on year-round storage of the kiosk on-site, and does not foresee any requirement for travel from Dakota Ridge in the foreseeable future.

Accepting the donation would also have asset management and other financial implications:

- Level of Service change:
  - There will be some minimal staff time required to move the kiosk into position before during and after the snow season, which can be coordinated through regular operational practices and logistics.
  - Transportation insurance to deliver the volunteer kiosk on-site at Dakota Ridge will be assumed and covered by the Tetrahedron Outdoor Club.
  - Insurance coverage for the kiosk once on-site will be covered by existing SCRD liability coverage.
- Asset management:

- Associated staff time and costs relating to regular maintenance and upkeep are expected to be minimal as well, as the structure is brand new as of late 2019 and therefore these costs can be accommodated within the existing base budget.
- If the kiosk is damaged by vandalism or otherwise during the trial period or thereafter the SCRD is under no obligation to fix, repair or replace the facility though the SCRD may choose to do so.

The Tetrahedron Outdoor Club is not seeking a tax receipt. The Club is prepared, if necessary, to waive their claim on any damages to the facility for the 1 year period.

*Timeline for next steps or estimated completion date*

Upon Board approval, SCRD Parks staff will immediately coordinate the delivery of the volunteer kiosk to Dakota Ridge and make the asset available for volunteer use as soon as possible.

SCRD Parks will also work with Corporate Administration to develop and finalize a donation agreement between the SCRD and the Tetrahedron Outdoor Club in order to receive the donated Dakota Ridge Volunteer Kiosk, either immediately or prior to 2020 Q4, depending on the approved donation option.

To complete the potential donation as soon as possible, recommendations are requested to be forwarded to the Regular Board meeting of January 9, 2020.

## **STRATEGIC PLAN AND RELATED POLICIES**

The following SCRD Strategic Plan objectives and success indicators relate to the subject of this report:

- To ensure that the SCRD's built and natural assets serve our residents now, and in the future;
- Collaborate with community groups and organizations to support their objectives and capacity; and,
- To lead, encourage and support our partners and stakeholders in working together to understand and address the opportunities and challenges facing our region.

Acceptance of this donation and incorporating it into service aligns with the Strategic Priorities to facilitate community development, protect assets and infrastructure and advance regional collaboration and partnerships.

## **CONCLUSION**

Staff recommend that the SCRD accept immediate donation of the volunteer kiosk from the Tetrahedron Outdoor Club and that the delegated authorities be authorized to execute the donation.

Staff are prepared to have the kiosk enter service immediately on confirmation of approval of the donation.

Reviewed by:			
Manager	X - K. Robinson	CFO/Finance	X - T. Perreault
GM	X - I. Hall	Legislative	
CAO	X - M. Brown	Risk Management	X - V. Cropp

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Planning and Community Development Committee – January 9, 2020

**AUTHOR:** Tina Perreault, General Manager, Corporate Services / Chief Financial Officer

**SUBJECT:** **SHORT TERM BORROWING FOR VAUCROFT CAPITAL WORKS**

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### RECOMMENDATION(S)

**THAT** the report titled **Short Term Borrowing for Vaucroft Capital Works** be received;

**AND THAT** a short term non-renewable loan be requested through the Municipal Finance Authority under section 403 of the *Local Government Act* (Liabilities Under Agreement) in the amount of \$450,000 to fund a portion of the Vaucroft Capital Works project;

**AND FURTHER THAT** the loan principal be repaid to the Municipal Finance Authority in five annual installments of \$90,000 payable on or before August 31 of each year beginning in 2020 and ending in 2024.

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### BACKGROUND

The Vaucroft Capital Works project was approved through the 2018 budget process per the following resolution adopted by the Board its regular meeting on March 22, 2018:

104/18      **Recommendation No. 9** *Ports Services [345] – 2018 R2 Budget Proposal*

THAT the report titled 2018 R2 Budget Proposal for [345] Ports Services be received;

AND THAT the following budget proposal be incorporated into the 2018 Budget:

- Budget Proposal 2 - Vaucroft Capital Works, \$450,000 funded through Short Term Debt;

AND FURTHER THAT the budget for [345] Ports Services be moved to adoption in the 2018 Budget as presented.

The project was subsequently carried forward to the 2019 budget with an RFP issued on June 10, 2019 and closing on July 9, 2019. The scope of work consisted of:

- Removal and disposal of the existing float, dolphins and everything above the stringers on the approach deck;
- Construction and installation of a new float;
- The installation of dolphin structures;
- Construction of everything above the stringers on the approach deck (decking, railings, etc.);
- Pile replacement and upgrades to substructure;
- Other works identified in the plans and specifications.

The results of the RFP were reported at the July 25, 2019 Corporate and Administrative Services Committee meeting. A revised project budget totaling \$676,830, inclusive of a 20% construction contingency, was presented for consideration and subsequently approved per the following resolution adopted by the Board at its regular meeting on July 25, 2019:

206/19      **Recommendation No. 1**      *RFP 19 385 Vaucroft Dock Upgrade Repairs*

THAT the report titled Request for Proposal (RFP) 19 385 Vaucroft Dock Upgrade Repairs be received;

AND THAT the Vaucroft Dock Upgrade Repair contract be awarded to Pacific Industrial Marine in an amount of up to \$627,030 (excluding GST);

AND THAT the total project budget be increased from \$450,000 to \$676,830, funded from Municipal Finance Authority Short-Term Borrowing (\$450,000) and capital reserves (\$226,830);

AND THAT the 2019-2023 Financial Plan be amended accordingly;

AND FURTHER THAT the delegated authorities be authorized to execute the contract.

The purpose of this report is to seek a resolution to formally apply for short term borrowing to fund up to \$450,000 in capital expenditures per the approved financial plan.

## **DISCUSSION**

Short term borrowing, through the Municipal Finance Authority, for this purpose would be undertaken through a Liability Under Agreement (LUA) under Section 403 of the *Local Government Act*. In order to apply for a loan under this section, a Board Resolution specifying the amount to be borrowed and repayment schedule is required, along with a report detailing the purpose of borrowing, repayment sources and timing.

The Board has previously approved short term borrowing of \$450,000 through resolutions 104/18 No. 9 and 206/19 No. 1. This borrowing was included in the 2019-2023 Financial Plan Bylaw with repayment of \$90,000 per year over a five year term beginning in 2020, funded from taxation.

For certainty, these amounts have also been included in the draft 2020-2024 Financial Plan and are factored into estimated 2020 taxation values as at the conclusion of Round 1.

### *Project Status*

The project reached substantial completion on December 17, 2019. Final costs are unknown at this time but are projected to be approximately \$50,000 - \$80,000 less than budgeted due to favorable site conditions with respect to pile driving.

### *Options and Analysis*

Based on the estimated final project costs, a portion of the budgeted funding from capital reserves and/or short term borrowing will not be required.

The current uncommitted Ports capital reserve balance is approximately \$123,000. An annual budgeted contribution of \$365,000 is included in the Financial Plan resulting in an estimated uncommitted balance of \$488,000 as at the end of 2020.

The minimum capital reserve contingency balance for emergency repairs is currently targeted at \$200,000. Recent market pricing suggest that this value is likely inadequate for any significant damage events.

In addition, the report titled *SCRD Ports – Long-Term Outlook* presented at the January 18, 2018 Infrastructure Services Committee meeting highlighted the financial implications associated with the preliminary 20 year capital outlook. The report estimated that an average annual capital investment of \$370,000 was required to sustain SCRD Ports. This is \$5,000 more than the current capital funding level; however, the required amount is likely to increase once detailed asset management planning has been completed and construction values are updated to reflect current market pricing.

Based on this information, in order to enhance the financial sustainability of the service and ensure adequate funding is in place for future planned capital renewal and potential significant damage events, staff recommend proceeding with the full \$450,000 borrowing and funding the balance of the project from reserves.

This will effectively de-commit \$50,000 - \$80,000 in reserves resulting in an uncommitted capital reserve balance of up to \$568,000 for 2020.

#### *Financial Implications*

Debt servicing costs for the planned borrowing were included in the 2019-2023 Financial Plan beginning in 2020 and are included in the draft 2020-2024 Financial Plan and taxation estimates as at the end of Round 1 budget.

Interest on the loan is charged at the variable MFA short term borrowing rate. The current rate as at January 1, 2020 is 2.58%

The estimated debt servicing costs over the loan period are detailed in the table below. Interest is based on a 2.58% rate, February 14, 2020 funding date, and annual principal repayment date of August 31.

Year	Principal	Interest
2020	\$90,000	\$9,466
2021	90,000	8,512
2022	90,000	6,190
2023	90,000	3,868
2024	90,000	1,522
<b>Total</b>	<b>\$450,000</b>	<b>\$29,588</b>

#### *Timeline for next steps or estimated completion date*

If the borrowing application is approved and endorsed by the Board. An application will be submitted to the Municipal Finance Authority with anticipated funding date of February 14, 2020.

## **STRATEGIC PLAN AND RELATED POLICIES**

This report is consistent with the SCRD's Debt Management Policy and Financial Sustainability Policy and is aligned with the development and implementation of a comprehensive asset management strategy with respect to future funding requirements.

## **CONCLUSION**

The Vaucroft Capital Works project was approved through the 2018 budget process with a value of \$450,000 funded from short term borrowing.

Based on the results of the RFP, a revised project budget totaling \$676,830 was approved on July 25, 2019 with the additional \$226,830 funded from capital reserves.

The project reached substantial completion of December 17, 2019 and is projected to be \$50,000 - \$80,000 under budget. Staff recommend proceeding with the full \$450,000 and funding the balance of the project with capital reserves.

A Board resolution is required to formally apply for a short term loan through the Municipal Finance Authority.

Reviewed by:			
Manager		Finance	X – T. Perreault
GM	X – I. Hall	Legislative	
I/CAO	X – M. Brown	Other	



**SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT**

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**TO:** Planning and Community Development Committee – January 9, 2020

**AUTHOR:** Robyn Cooper, Manager, Solid Waste Programs

**SUBJECT:** **REQUEST FOR PROPOSAL (RFP) 1935005 CONTRACT AWARD CURBSIDE  
COLLECTION OF FOOD WASTE**

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**RECOMMENDATION(S)**

**THAT the report titled Request for Proposal (RFP) 1935005 Contract Award Curbside Collection of Food Waste be received;**

**AND THAT the contract for Curbside Collection of Food Waste be awarded to Waste Management of Canada Corporation in the amount up to \$2,343,586 (plus GST);**

**AND THAT the SCRD purchase food waste collection containers from Waste Management of Canada Corporation, with a capital expenditure in the amount of \$193,670 ( \$181,000 plus applicable taxes) be approved and funded from Operating Reserves;**

**AND THAT the 2020-2024 Financial Plan be amended accordingly;**

**AND THAT the delegated authorities be authorized to execute the contract;**

**AND FURTHER THAT the recommendation be forwarded to the Regular Board meeting of January 9, 2020.**

---

**BACKGROUND**

The following resolution was adopted at the May 23, 2019 Board Meeting (in part):

159/19      **AND THAT** staff proceed with a Request for Proposal (RFP) for weekly curbside food waste collection that includes a bin of approximately 46 L with wheels and a locking mechanism, a starter kit, a collection App and does not include a kitchen catcher.

As such, in accordance with Sunshine Coast Regional District's (SCRD) Procurement Policy, Request for Proposal (RFP) 1935005 for Curbside Collection of Food Waste was issued on October 18, 2019 and closed on November 22, 2019. One addendum was issued.

The RFP sought qualified companies to provide residential and multifamily collection of food waste for eligible residences within the SCRD's service area. The service area includes Electoral Areas B (Halfmoon Bay), D (Roberts Creek), E (Elphinstone) and F (West Howe Sound).

The RFP sought proposals for a contract term of five years with options to extend up to two additional one year terms. This aligns with the contract term for curbside collection of garbage.

Curbside food waste collection service is one of the initiatives in the SCRD's Solid Waste Management Plan, Regional Organics Diversion Strategy and Strategic Plan.

## DISCUSSION

### *Analysis*

Two compliant proposals was received. Led by Purchasing, the evaluation team consisted of three members. The evaluation team reviewed and scored the proposals against the criteria set out in the RFP. Staff recommend that a five year contract be awarded to Waste Management of Canada Corporation. Their proposal met the specifications as outlined in the RFP and are the best value for the above-mentioned project.

Name	Total Contract Value (in the amount up to, not including GST)
Waste Management of Canada Corporation	<b>\$2,524,586</b>

### *Financial Implications – Curbside Collection*

The contract value for five years of curbside collection of food waste is \$2,343,586 (plus GST) and is within the existing budget of \$500,600 per year.

The impact of the proposed contract to the draft 2020-2024 Financial Plan is detailed in the table below:

	<b>2020 (Q3 start)</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Proposed Collection Contract	\$216,151	\$441,069	\$458,933	\$477,471	\$496,709
Current Budget	244,300	500,600	500,600	500,600	500,600
<b>Increase/(Decrease) to Budget</b>	<b>(\$28,149)</b>	<b>(\$59,531)</b>	<b>(\$41,667)</b>	<b>(\$23,129)</b>	<b>(\$3,891)</b>

Service launch is anticipated for Q3 2020 and is currently budgeted for six months of service.

The 2020 user fee will be outlined in an upcoming report anticipated for a January 2020 Committee meeting. However, it is anticipated that the required annual user fee for curbside food waste collection and processing will be approximately \$55 in 2020 and \$100 in 2021. These are less than the rates of \$77 for 2020 and \$131 for 2021 that were estimated in the staff report titled Rural Area Curbside Food Waste Collection Services Financial Considerations presented at the September 19, 2019 Infrastructure Services Committee meeting (Attachment A).

There is a separate budget for food waste processing. A report regarding contract award for food waste processing services is included in the Agenda for this meeting.

### *Financial Implications – Containers*

The Proponent offered a reduction in collection costs of approximately \$40,000 per year if the SCRD purchases the containers upfront from the Proponent. This cost savings is reflected in the above mentioned contract costs.

The cost to purchase the food waste collection containers upfront is \$181,000 plus 7% PST for a total capital expenditure of \$193,670. This cost includes the containers and management (e.g.

storage, delivery to residents, maintenance.) The SCRD would retain ownership of the containers at the conclusion of the contract.

The containers are 45L in size, have wheels and a locking mechanism as per the specifications in the RFP.

Two options to fund the costs of the containers are outlined below:

Option 1 – Fund 100% from Refuse Collection Operating Reserves

The Refuse Collection Operating Reserve Fund currently has an uncommitted balance of \$135,776 net of 2020 budget proposal approved during Round 1. In addition, a 2019 yearend surplus of \$80,000 is projected which will increase the uncommitted balance to \$215,776.

Utilizing operating reserves to purchase the containers upfront will result in a remaining uncommitted balance of \$22,106. This amount is deemed appropriate based on the service delivery model and financial sustainability policy.

Staff recommend this option.

Option 2 – Fund 50% from Refuse Collection Operating Reserve and 50% from Short Term Financing

This option would result in an uncommitted operating reserve balance of \$118,941 and an annual debt servicing cost of \$20,663.

The benefit of this option is a higher reserve balance which provides greater flexibility moving forward to address any unforeseen circumstances or unfavorable budget variances which may result from change in service level.

The additional impact to user rates under this option is estimated at \$3.57 annually per dwelling over the life of the contract.

*Timeline for next steps*

Prior to the launch of curbside collection of food waste, there are several steps required.

Two updates to Bylaw 431, Refuse Collection, are required as follows:

- Rate review of Bylaw 431 and update to the fees and charges – January 2020 Committee meeting.
- Update to Bylaw 431 to incorporate collection of food waste – Q2 2020

Additional steps include procurement for a mobile app (2020 budget item) and extensive public engagement. Launch is anticipated for Q3 2020.

*Communications Strategy*

A communications plan will be developed that will incorporate print materials, paid advertising, corporate newsletter, social media, the SCRD website and other engagement opportunities.

Best practices to reduce human-wildlife conflicts will be incorporated into communications material.

## STRATEGIC PLAN AND RELATED POLICIES

The purchasing process followed for this service is aligned with the SCRD Purchasing Policy.

Curbside collection of food waste is one of the initiatives in the SCRD's Solid Waste Management Plan, Regional Organics Diversion Strategy and Strategic Plan.

## CONCLUSION

In accordance with the SCRD Procurement Policy, RFP 1935005 was issued for Curbside Collection of Food Waste. The term of the contract is five years with two additional one-year renewal options.

Two compliant proposals was received.

It is recommended that RFP 1935005 Curbside Collection of Food Waste be awarded to Waste Management of Canada Corporation up to \$2,343,586 (plus GST).

It is also recommended that food waste collection containers be purchased from Waste Management of Canada Corporation in the amount of \$193,670 (\$181,000 plus PST & GST) funded from operating reserves.

Recommended 2020 user fees will be outlined in an upcoming report anticipated for a January 2020 Committee meeting. It is anticipated that the required annual user fee for curbside food waste collection and processing will be approximately \$55 in 2020 and \$100 in 2021.

## ATTACHMENTS

Attachment A – September 19, 2019 ISC staff report Rural Area Curbside Food Waste Collection Services Financial Considerations

Reviewed by:			
Manager		CFO/Finance	X - T. Perreault X - B. Wing
GM	X – R. Rosenboom	Legislative	
I/CAO	X – M. Brown	Other/Purchasing	X - V. Cropp

## **SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT**

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**TO:** Infrastructure Services Committee Name – September 19, 2019

**AUTHOR:** Robyn Cooper, Manager, Solid Waste Services

**SUBJECT:** RURAL AREAS CURBSIDE FOOD WASTE COLLECTION SERVICES FINANCIAL CONSIDERATIONS

---

### **RECOMMENDATION(S)**

**THAT the report titled Rural Areas Curbside Food Waste Collection Services Financial Considerations be received;**

**AND THAT the base budget for Function 355 Refuse Collection be increased by \$385,900 based on the estimated net increase to operating and overhead costs required to fund a weekly curbside food waste collection service and bi-weekly garbage collection service beginning in 2020;**

**AND THAT the increase for 2020 be pro-rated at \$231,100 based on an anticipated mid-year start date for the change in service;**

**AND THAT the increase be funded through additional user fee revenue subject to results of an RFP and amendment of SCRD Waste Collection Bylaw No. 431;**

**AND FURTHER THAT the Financial Plan 2019-2023 be amended accordingly.**

---

### **BACKGROUND**

The following resolution was adopted at the May 23, 2019 Board Meeting (in part):

159/19      **AND THAT** staff proceed with a Request for Proposal (RFP) for weekly curbside food waste collection that includes a bin of approximately 46 L with wheels and a locking mechanism, a starter kit, a collection App and does not include a kitchen catcher.

The Board direction provided by resolution 159/19 outlines the service delivery model for a curbside food waste collection service, however, the estimated cost of the service is not included in the 2019-2023 Financial Plan and thus, staff cannot yet proceed to RFP.

It should be noted that the above resolution is for a food waste collection service for those residences in SCRD Electoral Areas B, D, E and F that currently receive garbage collection.

The purpose of this report is to seek Board approval of a budget for the curbside food waste collection service and to amend the Financial Plan accordingly to allow for procurement to proceed.

## DISCUSSION

### *Financial Implications*

The current curbside refuse collection service is one 77L can of garbage collected weekly and disposed at the Sechelt Landfill.

The existing budget for Function 355 - Refuse Collection is approximately \$900,500 and is itemized in Table 1.

Table 1 – 2019 Budget for Refuse Collection

<b>Garbage Collection Service</b>	<b>2019 Budget</b>
Weekly Garbage Collection	\$454,900
Garbage Disposal	309,900
Overhead	135,700
<b>Total</b>	<b>\$900,500</b>

To fund the Refuse Collection service, user fees are collected as per Bylaw 431. The 2019 annual user fees are \$154.25 per service for a residential premise and \$130.04 per service for mobile homes.

The Board direction has been to reduce garbage collection service to bi-weekly (every-other-week) once a food waste collection service is established. This reduction in service will help offset the costs of food waste collection. Additionally, food waste processing is typically at a lower rate than garbage disposal, allowing for the existing garbage disposal budget to be re-allocated to food waste processing.

The curbside food waste collection service would similarly be funded from user fees, through Function 355 - Refuse Collection.

Creating a budget within Function 355 is required for food waste collection and processing. As well, an annual user fee needs to be established and Bylaw 431 updated accordingly.

Calculations were based on fifty percent of garbage being food waste with sixty additional participating households added per year.

Anticipated costs for the garbage collection service are summarized in Table 2 with the 2020 budget based on six months of weekly collection and six months of bi-weekly collection and 2021 based on a full year of bi-weekly collection service. The overhead costs decrease as the costs are split between garbage and food waste collection services. Additionally, the overhead costs incorporate annual increases to wages and administration support services allocation.

Table 2 – Garbage Collection Service Costs Summary

<b>Garbage Collection Service</b>	<b>2019 Budget</b>	<b>Anticipated 2020 Budget</b>	<b>Anticipated 2021 Budget</b>
Garbage Collection	\$454,900	\$372,100	\$272,400
Garbage Disposal	309,900	232,400	155,000
Overhead & Support Service Allocation	135,700	77,500	86,900
<b>Total</b>	<b>\$900,500</b>	<b>\$682,000</b>	<b>\$514,300</b>
<b>Difference from 2019 Budget</b>	-	\$(218,500)	\$(386,200)

Anticipated costs for a weekly curbside food waste collection service are summarized in Table 3 with 2020 budget based on six months of service and 2021 a full year of service. The processing calculations assume fifty percent of garbage is food waste. The overhead incorporates annual increases to wages and administrative services. The containers and delivery costs are the estimated annual debt servicing costs over a five-year term, the anticipated length of the collection contract. If the costs of the containers, fully or partially, were recovered from Function 355 operating reserves, then the annual budget amount and annual user fees would decrease accordingly.

Table 3 – Food Waste Collection Service Costs Summary

<b>Food Waste Collection Service</b>	<b>Anticipated 2020 Budget</b>	<b>Anticipated 2021 Budget</b>
Food Waste Collection	\$244,300	\$500,600
Food Waste Processing	56,800	113,600
Containers	71,000	71,000
Overhead & Support Service Allocation	77,500	86,900
<b>Total</b>	<b>\$449,600</b>	<b>\$772,100</b>

Table 4 summarizes the base budget costs for both services combined. These costs are estimates and will be refined prior to adopting the 2020-2024 Financial Plan based on the results of the procurement process and contract award. Once specific variables such as timing of service start, collection and processing costs, container funding options and inflationary factors are known, base budgets for 2020 and 2021 will be updated and strategies to mitigate or smooth rate increases can be considered.

Table 4 – Combined Base Budget Costs Summary

<b>Refuse Collection Service</b>	<b>2019 Budget</b>	<b>Anticipated 2020 Budget</b>	<b>Anticipated 2021 Budget</b>
Garbage Collection & Disposal	\$ 764,800	\$ 604,500	\$ 427,400
Food Waste Collection, Processing & Containers	-	372,100	685,200
Overhead & Support Service Allocation	135,700	155,000	173,800
<b>Total</b>	<b>\$ 900,500</b>	<b>\$1,131,600</b>	<b>\$1,286,400</b>
<b>Increase over 2019</b>	-	\$231,100	\$385,900

Tables 5 and 6 summarize the combined anticipated user fees for both services. The user fees include an annual increase to the participating households of sixty. Approximately \$12 of the anticipated user fee is attributable to food waste containers on the assumption that the initial capital expenditure would be financed over 5 years.

Table 5 – User Fees Summary per Residential Premise

<b>Collection Service</b>	<b>2019 User Fees</b>	<b>2020 Anticipated User Fees</b>	<b>2021 Anticipated User Fees</b>
Garbage	\$154.25	\$117	\$87
Food Waste	-	\$77	\$131
<b>Total</b>	<b>\$154.25</b>	<b>\$194</b>	<b>\$218</b>

Table 6 – User Fees Summary per Mobile Home

<b>Collection Service</b>	<b>2019 User Fees</b>	<b>2020 Anticipated User Fees</b>	<b>2021 Anticipated User Fees</b>
Garbage	\$130.04	\$98	\$73
Food Waste	-	\$65	\$110
<b>Total</b>	<b>\$130.04</b>	<b>\$163</b>	<b>\$183</b>

Once the programs have been implemented, a further report on funding mitigation options will be brought to Committee.

In addition, SCRD Waste Collection Bylaw No. 431 includes a clause that allows for a ‘Fee Reduction for Eligible Properties’. This allows owners of eligible properties who meet specific criteria to apply for a reduction of their annual waste collection fee up to the amount specified in the Bylaw. This amount is currently set at \$154.25, equivalent to the annual garbage collection rate for a residential premises. In 2019, sixty-seven fee reductions were approved for garbage collection. If the specified amount were to be increased in line with the anticipated combined rates for both garbage and food waste collection, and sixty-seven waivers were approved in subsequent years, the financial impact would be approximately \$10,921 in 2020 and \$12,261 in 2021.

It is recommended to allocate an initial annual budget of \$449,600 for food waste collection, processing and overhead for six months of service. The actual budget amounts and annual user fees will be determined after the procurement process. The total new funds required for a food waste collection service is offset by decreased costs for garbage collection of approximately \$218,500 and \$386,200 for 2020 and 2021 respectively.

#### *Impacts to Landfill Tipping Fees*

Diverting food waste will result in a decrease in garbage disposed and thus a decrease to tipping fee revenue.



Once the SCRD, District of Sechelt and Sechelt Indian Government District curbside food waste collection programs are initiated, along with the existing Town of Gibsons curbside food waste collection program and the SCRD's residential and commercial food waste landfill ban, it is anticipated that there may be a 15%-25% overall reduction in tipping fee revenue.

Mitigation options include increased taxation, increase to the garbage tipping fee or a combination of the two. Once the program has been implemented a further report on funding mitigation options will be brought to Committee.

Staff recommend conducting a tipping fee review in Q2 2021, one year after the anticipated initiation of the SCRD's curbside food waste collection program and after the initiation of the food waste ban to determine the overall impacts to tipping fee revenue.

#### *Timeline for next steps*

If Board direction to approve a budget and amend the financial plan is given, the next step is procurement.

Procurement is required for the curbside food waste collection service as well as for food waste processing.

The procurement process from preparing the RFP documents to contract award will take approximately three to four months. The RFP will be issued as soon as possible after Board adoption.

An amendment to Bylaw 431 (Refuse Collection) will be required by Q1 2020 at the latest.

The end of Q2 2020 is currently being considered as the earliest possible start date for curbside collection of food waste.

#### *Communications Strategy*

If a curbside collection of food waste service is implemented, a communications plan will be developed that will incorporate print materials, paid advertising, corporate newsletter, social media, the SCRD website and other engagement opportunities.

### **STRATEGIC PLAN AND RELATED POLICIES**

This report is in support of the SCRD's Solid Waste Management Plan's targets of 65%-69% diversion and residential food waste collection is one of the SWMP's recycle initiatives.

### **CONCLUSION**

It is anticipated that with a curbside food waste collection service, approximately 50% of garbage will be food waste.

The anticipated costs for a curbside food waste collection service is \$449,600 for six months of service in 2020 and \$772,100 for a full year of service in 2020.

The total new funds required for a curbside food waste collection service is offset by decreased costs to the garbage collection service of approximately \$218,500 and \$386,200 for 2020 and 2021 respectively. The decreases are attributed to the lower collection costs for bi-weekly garbage collection and decrease to garbage disposed.

The purpose of this report is to seek Board approval of a budget for the curbside food waste collection service and to amend the Financial Plan accordingly to allow for procurement to proceed.

An amendment to Bylaw 431 (Refuse Collection) will be required by Q1 2020 at the latest.

The end of Q2 2020 is currently being considered as the earliest possible start date for curbside collection of food waste.

The food waste diverted from landfill through curbside collection programs and from a landfill ban are anticipated to result in a 15%-25% overall reduction in tipping fee revenue. Mitigation options include increased taxation, increase to the garbage tipping fee or a combination of the two.

Staff recommend conducting a tipping fee review in Q2 2021, one year after the anticipated initiation of the SCRD's curbside food waste collection program and after the initiation of the food waste ban to determine the overall impacts to tipping fee revenue.

Reviewed by:			
Manager		Finance	X – T. Perreault
GM	X - R. Rosenboom	Legislative	X – S. Reid
Interim CAO	X – M. Brown	Other	X – B. Wing

**SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT**

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**TO:** Planning and Community Development Committee – January 9, 2020

**AUTHOR:** Robyn Cooper, Manager, Solid Waste Programs

**SUBJECT:** **REQUEST FOR PROPOSAL (RFP) 1935004 CONTRACT AWARD GREEN AND FOOD WASTE PROCESSING SERVICES**

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**RECOMMENDATION(S)**

**THAT the report titled Request for Proposal (RFP) 1935004 Contract Award Green and Food Waste Processing Services be received;**

**AND THAT the contract for Green Waste Processing Services be awarded to Salish Environmental Group Inc. in the amount up to \$699,300 (plus GST);**

**AND THAT the contract for Food Waste Processing Services be awarded to Salish Environmental Group Inc. in the amount up to \$205,800 (plus GST);**

**AND THAT the 2020-2024 Financial Plan be amended accordingly;**

**AND THAT the delegated authorities be authorized to execute the contract;**

**AND FURTHER THAT the recommendation be forwarded to the Regular Board meeting of January 9, 2020.**

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**BACKGROUND**

The Sunshine Coast Regional District (SCRD) currently provides three locations for residents to self-haul and drop-off green waste and two locations for commercial green waste drop-off on the Sunshine Coast. Green waste processing services are provided via contracted service.

The SCRD has additional contracts for the operation of a residential green waste drop-off depot located on the south coast and for green waste container and hauling services.

In 2018, 4,176 tonnes of green waste were hauled and processed from the SCRD green waste sites.

On December 31, 2018, the green waste processing services contract expired. The service has continued on a month-to-month basis.

In addition, as part of the SCRD's Regional Organics Diversion Strategy, there is SCRD Board direction to implement curbside food waste collection services for those residences in Electoral Areas B, D, E and F that receive garbage collection (resolution #159/19). This service is anticipated to launch in Q3 2020 as per the contract award report for curbside collection of food waste on the Agenda for this meeting. Implementation requires procuring food waste processing services and there was Board direction given in September 2019 to proceed to procurement (resolution #233/19.)

As such, in accordance with Sunshine Coast Regional District's (SCRD) Procurement Policy, Request for Proposal (RFP) 1935004 for Green and Food Waste Processing Services was issued on October 15, 2019 and closed on November 12, 2019. The RFP sought qualified companies to provide services to process green waste and food waste into compost in support of the SCRD's green waste recycling program and the upcoming curbside food waste collection service.

The RFP sought proposals for a contract term of three years with options to extend up to two additional one year terms.

## DISCUSSION

### *Analysis*

One compliant proposal was received. The proposal was reviewed against the criteria set out in the RFP and it was determined the proposal met the specifications. Staff recommend that a three year contract be awarded to Salish Environmental Group Inc.

Name	Total Contract Value (in the amount up to, not including GST)
Salish Environmental Group Inc.	<b>\$905,100</b>

A summary of the estimated budget for each year of the three year contract term is in Table 1. For food waste, the year 1 budget is based on six months of service whereas years 2 and 3 are the full twelve months.

Table 1 – Estimated Budget for Green and Food Waste Processing Services

Contract Year	Estimated Budget Green Waste Processing	Estimated Budget Food Waste Processing
Year 1	\$226,800	\$39,900
Year 2	\$233,100	\$81,900
Year 3	\$239,400	\$84,000
<b>Total</b>	<b>\$699,300</b>	<b>\$205,800</b>

### *Financial Implications*

The total dollar amount for the green and food waste processing services contract is estimated and based on the bid prices calculated as stated in the RFP. 2018 tonnage for green waste and an estimate for food waste were utilized for the calculations in the RFP. The actual annual processing costs are dependent on the actual volume of green waste and food waste received.

### Green Waste Processing

The green waste program is administered through the [350] Regional Solid Waste Service and is funded entirely through taxation. The total cost of the program is currently budgeted at \$333,478 for 2020 with \$158,750 of that attributable to processing.

Based on the existing 2020 budget and RFP results, there would be a shortfall for green waste processing of approximately \$68,050 in year 1 of the contract. It should be noted that for the past several years, the green waste program has had a shortfall for hauling and processing services.

Subject to contract award, an amendment to the 2020-2024 Financial Plan for the green waste program will be required to fund increased processing costs. Taxation will increase by \$68,050 in 2020 and by a further \$6,300 in 2021 and 2022 to fund the increased costs.

Total direct program costs and funding from taxation for hauling, processing and the South Coast Site operations will be \$401,528 in 2020, \$407,828 in 2021 and \$414,128 in 2022.

### Food Waste Processing

The curbside food waste program will be administered through the [355] Refuse Collection Service funded through user fees. An estimated budget for food waste processing in the amount of \$113,600 annually (pro-rated at \$56,800 for 2020) was approved for inclusion in the base budget prior to issuing the RFP.

The proposed contract value for food waste processing in the first full year is \$31,700 less than originally anticipated. Subject to contract award, the base budget will be amended downwards to reflect the actual contract amounts.

On a per user basis, the reduced value equates to approximately \$5.48 per customer on a fully annualized basis. A subsequent report with respect to 2020 user rates for food waste collection will be brought forward pending the results of the collection and processing contract awards.

### *Timeline for next steps*

Prior to the launch of curbside collection of food waste, there are several steps required as outlined in the contract award report for curbside collection of food waste on the Agenda for this meeting.

### *Communications Strategy*

Communication regarding food waste processing will be incorporated into the communications plan for curbside collection of food waste.

## **STRATEGIC PLAN AND RELATED POLICIES**

The purchasing process followed for this service is aligned with the SCRD Purchasing Policy.

Curbside collection of food waste is one of the initiatives in the SCRD's Solid Waste Management Plan, Regional Organics Diversion Strategy and Strategic Plan.

## **CONCLUSION**

In accordance with the SCRD Procurement Policy, RFP 1935004 was issued for Green and Food Waste Processing Services. The term of the contract is three years with two additional one-year renewal options, at SCRD's discretion.

One compliant proposal was received and met the required specifications.

It is recommended that RFP 1935004 Green and Food Waste Processing Services be awarded to Salish Environmental Group Inc. in the amount up to \$905,100 (plus GST).

A budget and Financial Plan amendment is required.

Reviewed by:			
Manager		CFO/Finance	X - T. Perreault X - B. Wing
GM	X – R. Rosenboom	Legislative	
I/CAO	X – M. Brown	Other/Purchasing	X - V. Cropp

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Planning and Community Development Committee – January 9, 2020

**AUTHOR:** Sherry Reid, Corporate Officer

**SUBJECT:** **PROPOSED 2020 ASSOCIATION OF VANCOUVER ISLAND AND COASTAL COMMUNITIES (AVICC) RESOLUTIONS**

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### RECOMMENDATION(S)

**THAT the report titled Proposed 2020 Association of Vancouver Island and Coastal Communities (AVICC) Resolutions be received;**

**AND THAT the resolutions be reviewed and if approved, forwarded to the January 23, 2020 Board meeting for adoption.**

---

### BACKGROUND

At the December 12, 2019 Board meeting, staff were directed to prepare resolutions for possible submission to AVICC on:

1. Medical cannabis safety concerns/jurisdiction for enforcement
2. Business licensing authority for regional districts
3. Stormwater management
4. Marine debris
5. Secondary rural road maintenance
6. Abandoned vehicles.

Guidelines for drafting resolutions state that a resolution should answer three questions:

1. What is the problem?
2. What is causing the problem?
3. What is the best way to solve the problem?

The deadline for submission of resolutions for consideration at the AVICC Annual General Meeting is February 6, 2020. Resolutions must be adopted by the Board no later than the January 23 meeting in order to meet AVICC's submission deadline. Background information must also be submitted with the resolution. AVICC and Union of British Columbia Municipalities (UBCM) resolution guidelines encourage local governments to avoid 'repeat' resolutions.

## DISCUSSION

Staff have drafted six resolutions for consideration.

### 1. Medical Cannabis Safety Concerns

In 2018, eight (8) resolutions were endorsed by the UBCM membership on the topic of cannabis. Local government concerns ranged from revenue sharing with the province, challenges with regulation, nuisance and safety concerns with respect to medical cannabis production facilities in residential areas, and the use of agricultural land for cannabis production.

Responses on resolutions specific to provincial matters were provided, however two resolutions advocating for responses from Health Canada regarding nuisance and safety concerns related to medical cannabis production in residential areas have yet to receive a response from Health Canada. The *Cannabis Act* came into force in October 2018. Since then, the *Access to Cannabis for Medical Purposes Regulations (ACMPR)* has been replaced with new regulations, with the main change being provisions for improved patient access.

The following resolution that focusses on fire and building safety concerns in medical cannabis production facilities, and legislative gaps with respect to their enforcement, has been prepared for the Committee's consideration:

WHEREAS the federal *Cannabis Act* controls the production, distribution, sale, and possession of cannabis in Canada, including the application and licensing of large and small-scale cannabis production facilities which are required to be compliant with local government bylaws; while the Province regulates non-medical cannabis under the *Cannabis Control and Licensing Act*, but has no authority to regulate licensing of large and small-scale cannabis production facilities located in BC communities;

AND WHEREAS the process for obtaining licensing to produce medical cannabis has not changed with the legalization of non-medical cannabis thereby creating separate legislative frameworks that limit local governments in their ability to enforce local bylaws, especially as they relate to fire and building code safety standards within cannabis production facilities:

THEREFORE BE IT RESOLVED that the Association of Vancouver Island and Coastal Communities (AVICC) advocate for an expanded federal legislative and regulatory framework that provides options for provincial and local authorities to oversee building and fire safety requirements for cannabis production facilities from the outset of the license application process and prior to the commencement of construction of cannabis production facilities;

AND BE IT FURTHER RESOLVED that the Association of Vancouver Island and Coastal Communities (AVICC) advocate for federal and provincial collaboration with local governments to develop information sharing protocols that ensure local governments have awareness of the locations and licensing particulars of small and large-scale cannabis production facilities within their communities and can thereby ensure compliance with local bylaws to mitigate safety risks within BC communities.



## 2. Business Licensing Authority

Two resolutions have been previously endorsed by the UBCM membership with respect to business licensing authority for regional districts. One in 1992 (C4) from the Central Okanagan Regional District (who later became the only regional district in BC to be granted authority by provincial regulation for business licensing), and a second submitted in 2018 (B139) by the North Okanagan Regional District that was endorsed as follows:

*WHEREAS regional districts do not have business licensing powers;*

*AND WHEREAS it is imperative to regulate and manage businesses to enhance economic development, firefighter safety and community planning within electoral areas of regional districts:*

*THEREFORE BE IT RESOLVED that the Ministry of Municipal Affairs and Housing be requested to recommend an amendment to the Local Government Act to provide business licensing powers to regional districts.*

The Ministry of Municipal Affairs and Housing responded to the resolution as follows:

*“Government is interested in supporting regional districts seeking to improve their efficiency and effectiveness. Given the diversity and range of priorities of regional districts in the province, historically business licensing and other additional authorities have been granted by regulation on a case by case basis. Central Okanagan Regional District (CORD), the only regional district currently with business license authority, received the authority to regulate business in 1996.*

*There are a number of implications that regional districts need to consider when requesting business licensing authority and developing a business licensing scheme. This includes: administrative fairness (the Board would receive the general power to regulate all business, the authority would not be specific to any particular type of business); enforcement capacity; and an analysis of the regional challenges the proposed scheme is intended to address. Ministry staff would need to consider the same implications and analyze the challenges at the broader provincial level.*

*Historically there has been limited interest from regional districts to receive business licensing authority, given the many implications and complexity of developing and implementing the business licensing scheme. Currently, Ministry staff are actively working with some regional district partners to identify their regional business issues and reviewing specific regional district requests for business licensing authority.”*

Given the Ministry's indication that they are actively working with regional district partners to identify regional business issues and requests for business licensing authority, a resolution has been prepared for the Committee's consideration as follows:

*WHEREAS the Community Charter provides municipalities the authority to regulate businesses through a business licensing structure, while regional districts have not been granted business licensing authority and must undertake a lengthy legislative application process in order to be granted that authority through provincial regulation;*

AND WHEREAS municipalities may utilize business licensing as a tool to assist with the enforcement and compliance of local bylaws such as the regulation of cannabis and short-term rentals, while regional districts with similar bylaw enforcement challenges do not have that option readily available to them:

THEREFORE BE IT RESOLVED that the Association of Vancouver Island and Coastal Communities (AVICC) request that the Ministry of Municipal Affairs and Housing explore options to amend the *Local Government Act* to provide Regional Districts legislative authority for business licensing similar to the authority provided to municipalities in order to ensure fair and equal access for all local governments wishing to utilize business licensing as a tool to support compliance with local bylaws.

### 3. Stormwater Management

Staff have noted one resolution (B90) endorsed by the UBCM membership in 2012 on the topic of stormwater management, as follows:

*WHEREAS there are numerous and significant problems with drainage and stormwater management throughout the electoral areas;*

*AND WHEREAS the authority for managing stormwater and drainage in electoral areas is the primary responsibility of the Ministry of Transportation and Infrastructure as well as the development of legislation, policies and programs, and for providing resources to plan, construct and maintain drainage systems and enforce drainage standards:*

*THEREFORE BE IT RESOLVED that UBCM urge the Province of BC, through the Ministry of Transportation and Infrastructure to improve their approach for the effective management of stormwater and drainage in electoral areas within the province of BC.*

The Ministry of Transportation and Infrastructure responded that:

*“The Province recognizes that drainage and stormwater management is an important issue. The Ministry of Transportation and Infrastructure (Ministry) is responsible for drainage and stormwater management in Electoral areas as they relate to provincial public roads and the subdivision approval process. Local government as well as individual property owners also play a significant role in this matter through the land use planning process and ongoing maintenance and support of the stormwater management systems. The Ministry supports a cooperative approach to stormwater management planning, in collaboration with local governments. In recognition of the Province’s role, the Ministry is committed to ongoing discussions with local governments, particularly as it pertains to planned and future development, in an effort to minimize future drainage impacts. In areas where storm water management concerns have already been raised, the Ministry has been actively working with the local government on appropriate solutions.”*

As the provincial response was focused on collaboration with local governments on stormwater management planning, staff have prepared the following resolution for the Committee’s consideration:

WHEREAS stormwater run-off and drainage related problems such as flooding, erosion, and slope instability are becoming increasingly prevalent in rural areas due to development pressures and are being exacerbated by the effects of climate change which results in more variable, intense and frequent storm events;

AND WHEREAS the Ministry of Transportation and Infrastructure, as the subdivision approving authority, is primarily responsible for the design and maintenance of drainage works related to public roads in rural areas, and does not enforce or regulate stormwater and drainage related problems from one property to the next once development has been approved;

THEREFORE BE IT RESOLVED that the Association of Vancouver Island and Coastal Communities (AVICC) advocate for increased collaboration between the Ministry of Transportation and Infrastructure, regional districts, and municipalities to develop and implement management strategies that:

- recognize the need for an integrated stormwater management approach that plans at the watershed level as well as at the individual development level;
- are responsive to ongoing development pressures and challenges associated with climate change;
- increase provincial oversight of the implementation of stormwater-related components of subdivision approvals on an ongoing basis; and,
- increase the Province's ability to address concerns from residents on an ongoing basis about property damage and safety issues that arise from stormwater and drainage related problems.

#### 4. Marine Debris

One resolution on the topic of marine debris was endorsed by the UBCM membership in 2017, as follows:

*WHEREAS foam from marine infrastructure is an increasing source of pollution on British Columbia's beaches;*

*AND WHEREAS there is concern that plastic-associated chemicals from polystyrene and other types of rigid foam are harming the marine environment and contaminating food webs;*

*THEREFORE BE IT RESOLVED that UBCM request the provincial and federal governments to implement measures that prevent rigid foam pollution in the marine environment.*

The Ministry of Environment & Climate Change Strategy responded (in part) that:

*"The Province is interested in supporting local governments in waste management initiatives. One of the Province's long term policies regarding waste management and recycling is to shift the onus of responsibility for managing products at their end of life from local governments and the general taxpayer to industry and consumers, through the approach known as Extended Producer Responsibility (EPR). In 2004, government enacted the Recycling Regulation (the Regulation) to provide a single results-based framework for industry-led product stewardship. In BC, we now have province-wide recycling programs for packaging and printed paper, beverage containers, electronics, tires, pharmaceuticals, paint, oil, pesticides and other household hazardous wastes, that allow for collection and recycling of such products at end-of-life at no cost to the generator. BC is a recognized leader for EPR programs in North America. After years of rapid expansion of EPR programs in BC, the Ministry is currently focusing on program implementation and continuous improvement of its existing EPR programs before further considering new programs..."*

Staff have prepared the following resolution for the Committee's consideration which calls for resourcing for the development of a provincial program to assist communities with shoreline clean-up of marine debris and increased producer responsibility for product stewardship in sectors that are responsible for the majority of the pollution:

WHEREAS a large volume of marine debris including plastics, styrofoam, components of boats, docks, and fishing gear is increasingly washing up on local shores which is environmentally damaging to marine environments, poses risks to fish and wildlife, creates a safety hazard for marine traffic, and places added pressure on communities to collect and haul shoreline marine debris to disposal facilities which is costly and logistically complex;

AND WHEREAS local governments have no jurisdiction on shorelines, as that is under the authority of the Province, and provincial efforts to increase producer responsibility for product stewardship have not been sufficient at reducing pollution caused by marine debris due to the diversity of materials and their often unknown source of origin:

THEREFORE BE IT RESOLVED that the Association of Vancouver Island and Coastal Communities (AVICC) urge the provincial government to adequately resource and develop a provincial program to assist with marine debris shoreline clean-up efforts that focusses on increasing regulation and enforcement for sectors responsible for the majority of marine debris, expanding recycling options for commonly found materials such as styrofoam, and funding communities that are struggling to address significant marine debris pollution on their shorelines so that regular community-led shoreline clean-up events are supported and collected marine debris can be safely transported to disposal facilities.

## **5. Secondary Road Maintenance in Rural Areas**

Various resolutions on rural road maintenance have been put forth at UBCM over the years, most advocating for increased resourcing for maintenance of rural roads in general. Provincial responses to resolutions have affirmed the Province's commitment to investing in transportation infrastructure and also recognize the importance of the road network to BC's rural economy.

Staff have prepared the following resolution for the Committee's consideration that focusses on road safety and the need for the Province to review service level standards for secondary road maintenance:

WHEREAS there is growing concern about the state of secondary roads in rural communities that are in need of safety improvements such as pavement lane markings which are essential to ensuring the safe flow of vehicle, bicycle, and pedestrian traffic, especially in more remote areas where street lighting may be minimal or non-existent;

AND WHEREAS the Ministry of Transportation and Infrastructure, as the responsible authority for the public road network in rural areas, oversees rural road maintenance through highway maintenance service contracts according to terms set out by the Province that define levels for maintenance standards and a budget for each specific service area:

THEREFORE BE IT RESOLVED that the Association of Vancouver Island and Coastal Communities (AVICC) urge the provincial government to review service level standards and increase funding for the upkeep of secondary roads in the provincial road network to

ensure safe and accessible transportation options for rural communities who depend on them for day-to-day personal and business transportation needs.

## 6. Abandoned Vehicles

No historical UBCM resolutions on the topic of abandoned vehicles were found, however, previous resolutions on the topic of parking enforcement have been submitted and endorsed by the UBCM membership. In 2019, the following SCRCD sponsored resolution was endorsed by the UBCM membership:

*WHEREAS the RCMP are responsible for enforcing parking regulations in rural areas which takes policing resources away from other priorities;*

*AND WHEREAS the provincial response to UBCM Resolution 2014-B102 requesting that regional districts be granted the authority to enforce parking regulations within their boundaries indicated that further research was required prior to undertaking any policy change:*

*THEREFORE BE IT RESOLVED that the Ministry of Transportation and Infrastructure and the Ministry of Public Safety and Solicitor General jointly review parking enforcement in the rural areas to either provide regional districts with the authority to enforce parking regulations within their boundaries or to adequately resource rural detachments to ensure that community safety issues related to illegal parking are addressed.*

As Provincial responses have yet to be received for 2019 resolutions, no further update is available on the status of this request.

Staff have prepared the following resolution for the Committee's consideration that focusses on policing resources as well as safety issues related to illegally parked/abandoned vehicles:

WHEREAS the RCMP are responsible for enforcing parking regulations outside of municipal boundaries, including the removal of abandoned vehicles that may be illegally parked on rural roads, which is time consuming, costly, and takes away policing resources from other important community priorities;

AND WHEREAS regional districts have no authority for parking enforcement or removal of abandoned vehicles from rural roads but, as the representative local government with a direct connection to the community, must address resident concerns about abandoned vehicles that may be illegally parked or impacting the safe movement of pedestrians, traffic, or emergency vehicles in areas such as accesses to docks, boat launches, roads near waterfront parks, or areas where parking is limited:

THEREFORE BE IT RESOLVED that the Association of Vancouver Island and Coastal Communities (AVICC) urge the provincial government to provide additional funding resources to support rural RCMP detachments in responding to time consuming and costly removal of abandoned vehicles from rural roads, and to ensure that community safety concerns are prioritized and adequately attended to.

## STRATEGIC PLAN AND RELATED POLICIES

Submission of resolutions to AVICC is in alignment with SCRD's strategic focus areas for regional collaboration and partnerships and advocacy through effective and responsive government.

## CONCLUSION

Six draft AVICC resolutions have been prepared for the Committee's consideration. If the resolutions are approved, staff recommend forwarding them to the January 23, 2020 Board meeting for approval in order to meet AVICC's February 6 deadline. Proposed amendments for any of the draft resolutions may be forwarded to the January 16 Infrastructure Services Committee for consideration before bringing them forward for final adoption at the January 23 Board meeting.

Reviewed by:			
Manager		Finance	
GM	X – I. Hall X – R. Rosenboom	Legislative	
I/CAO	X – M. Brown	Other	

**Tracey Hincks**

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**From:** Paul Kamon <paul@sunshinecoastcanada.com>  
**Sent:** Friday, December 13, 2019 12:19 PM  
**To:** Tina Perreault  
**Subject:** re: affordable housing fund - Sunshine Coast Tourism  
**Attachments:** SCT\_OAP Funding Guidelines\_Dec13\_20.pdf; MRDT-Program Requirements- SUMMER 2018.pdf

Hello Tina

Please find attached the following documents for your perusal:

- 1) SCT\_OAP Funding Guidelines
- 2) MRDT Program Requirements\_Summer 2018 - (most recent update)



NOTE: The SCT OAP\_Guidelines will require a support letter from both the qathet and Sunshine Coast Regional Districts and final approval from Destination BC for the funding to be approved for distribution.

I will be sending a copy to both districts for distribution to the boards for discussion and approval. I just wanted you to have a copy as well.

Let me know if you have any questions or concerns.

Cheers,

-----  
Paul Kamon  
Executive Director  
Sunshine Coast Tourism  
604.618.1963 cel  
[paul@sunshinecoastcanada.com](mailto:paul@sunshinecoastcanada.com)



SCRD  
RECEIVED

DEC 20 2019

CHIEF ADMINISTRATIVE  
OFFICER

Sunshine Coast Tourism  
PO Box 1883  
Gibsons BC  
V0N 1V0  
T: 1-866-941-3883  
E: info@sunshinecoastcanada.com

December 18, 2019

Attention: Sunshine Coast Regional District Board  
Sunshine Coast Regional District  
1975 Field Road, Sechelt BC  
V0N 3A1

Dear SCRD Board,

**RE: OAP Funding Guidelines - request for formal Letter of Support**

I write this correspondence to formally request a Letter of Support from the Sunshine Coast Regional District (SCRD) for Sunshine Coast Tourism's Online Accommodation Platform (OAP) Funding Guidelines.

As the organization responsible for the management of these funds, Sunshine Coast Tourism created these guidelines for both the SCRD and qathet Regional District to access affordable housing funds as per the Municipal Regional District Tax Program Guidelines.

The OAP collection started in October 2018, and payments are issued after each quarter. After 12 months of OAP collection, the annual amount available for eligible Affordable Housing plans in 2020 is: **\$133,760.**

Once the OAP guidelines are approved by the SCRD and qathet Regional District and Destination BC, affordable workforce housing plans can be submitted to Sunshine Coast Tourism for consideration with final approval coming from Destination BC.

Thank you for your time and consideration.

Sincerely,  
Paul Kamon - Executive Director

Sunshine Coast Tourism  
E: [paul@sunshinecoastcanada.com](mailto:paul@sunshinecoastcanada.com)  
T: 604-618-1963



DEC 20 2019

CHIEF ADMINISTRATIVE  
OFFICER

## Online Accommodation Platform (OAP) Funding Guidelines, Sunshine Coast, BC

**Report by:** Paul Kamon - Executive Director  
**Date submitted:** December 13, 2019  
**Audience:** qathet Regional Government, Sunshine Coast Regional District

**Request:** Letter of Approval

### **Background**

The Municipal Regional District Tax (MRDT) is a Provincial Government tax program designed to "assist designated recipients to fund tourism marketing, programs and projects."\*

Sunshine Coast Tourism is the "designated recipient" of the MRDT program representing both the Sunshine Coast Regional District and qathet Regional District and the municipalities therein, and is responsible for administering the MRDT funds in accordance with the MRDT Program Guidelines.

Prior to October 1, 2018, many small accommodations (those with 3 rooms or less) were exempt from collecting MRDT. The provincial legislation changed as of October 1, 2018, removing this exemption. Most short-term rental accommodations are now legislated to collect PST and relevant MRDT taxes and large online accommodation platforms such as [Airbnb](#) (which represents approx. 80% of the online accommodation market) began to collect the taxes on behalf of their host clients and remit directly to the Provincial government.

The new expanded MRDT tax collection is to flow to the designated recipients and be known as **Online Accommodation Platform (OAP)** with eligible funding criteria expanded to include the following:

*"MRDT revenues from online accommodation platforms (OAP) can be used for affordable housing initiatives." - [Municipal Regional District Tax Program Guidelines](#)*

As Sunshine Coast Tourism approaches the affordable housing situation in the region, it needs to be understood that, as a Destination Marketing Organization (DMO), Sunshine Coast Tourism is in a unique position. Most "designated recipients" throughout the province are typically not DMO's and only have one or two government partners;

Sunshine Coast Tourism represents a significantly large area and currently partners with seven local governments which include the Town of Gibsons, District of Sechelt, Sechelt Indian Government District, Sunshine Coast Regional District, City of Powell River, Tla'amin Nation and the qathet Regional District.

All local government partners must have a clear understanding of the MRDT Program Guidelines and how they relate to the funding priorities and core mandate of Sunshine Coast Tourism. (see [Sunshine Coast Tourism's mandate](#))

*"Designated recipients have the flexibility to define, identify, and fund affordable housing initiatives that they deem appropriate to meet local needs." - [Municipal Regional District Tax Program Guidelines](#)*

Since the Government's inclusion of affordable housing into the MRDT program as an eligible spend, the main sentiments from Sunshine Coast Tourism's Board of Directors have been that:

- 1) Annual OAP funds received will not be enough on their own to have a genuine impact on the affordable housing crisis.
- 2) Provincial and local governments have more effective tools to address affordable housing in a more direct way (ie. tax and development incentives)
- 3) OAP funds considered for affordable housing should focus on *workforce* accommodation to support the developing tourism economy as identified in the [10 Year Sunshine Coast Destination Development Strategy](#).
- 4) In order for Sunshine Coast Tourism to be successful in its renewal application for the MRDT due on February 1, 2021, a careful balance of priorities must be struck to maintain strong support from the traditional accommodation sector.

"Workforce housing" is defined as market housing for working people as opposed to a homeless shelter or social housing for the unemployed. While the latter is still important, this does not align with the mandate of the Sunshine Coast Tourism association.

The OAP collection started in October 2018, and payments are issued after each quarter. After 12 months of OAP collection, the annual amount available for eligible Affordable Housing plans in 2020 is: **\$133,760.**

### **SCT Board Direction**

The Sunshine Coast Tourism board opted for a measured approach for the use of the new OAP funds, which looks to address both the core MRDT program mandate of tourism destination marketing, management and development, and the important need for sustainable and affordable housing to support the industry workforce.

Since the inception of the MRDT program on the Sunshine Coast in August 2016, SCT has been tasked with a host of new projects, destination development tasks and management responsibilities beyond its traditional destination marketing mandate. These include management contracts for both the Gibsons and Sechelt Visitor Information Centres and a number of economic development initiatives and strategies for the region that have increased the need for administrative support such as the Regional Visitor Services Strategy, infrastructure grants, skills training and Indigenous tourism development.

### **OAP Funding Priorities**

Thus, the SCT Board approved 60% of OAP funds be allocated to approved local government programs for “affordable workforce housing”, with the remaining 40% to support the Sunshine Coast region’s continuing Destination Development needs, which includes enhanced Festival & Event marketing to increase shoulder season visitation, and further investments in tourism research and data analytics.

- **Workforce housing** - eligible local government sponsored workforce housing initiatives.
- **Destination Development** - improved administration of current DMO programs and more enhanced strategic alignment with provincial and local governments for infrastructure projects and access to grant funding.
- **Festivals & Events** - creation of an event marketing program with funding criteria that enhances cooperative buy-in and helps drive visitation during the shoulder season.
- **Tourism Research/Data analytics** - Utilize new technologies to access accurate visitor information and data in order to make intelligent strategic decisions moving forward. Investing in becoming a “data-smart destination” will help Sunshine Coast Tourism showcase the true value of tourism in the local economy and provide valuable information across

government agencies to better manage and invest in the sustainable and long-term development of tourism on the Sunshine Coast .

In order for Sunshine Coast Tourism to disperse revenues to local government for affordable housing initiatives, an Affordable Housing MRDT Plan must be submitted by applicants in accordance with the Municipal Regional District Tax Program Guidelines. Once funds are allocated, a follow up report is required by all successful applicants in accordance with Appendix 2.4 Annual Affordable Housing MRDT Report.. If revenues are to be dispersed to any local government for a qualified housing initiative as per the Municipal Regional District Tax Program Guidelines, Appendix 1.8 Affordable Housing MRDT Plan must be submitted prior to implementation and followed up with Appendix 2.4 Annual Affordable Housing MRDT Report.

According to “Appendix 1.8 Affordable Housing MRDT Plan”, the following key questions need to be addressed:

- How does this project respond to affordable housing needs in your community?
- What is the need, issue, or demand?
- What kind of project are you spending on (such as acquiring or constructing buildings, providing funding to an existing housing project or towards a rental or social housing program, or entering into a partnership agreement)?
- What documentation do you have authorizing the project to proceed (such as a contribution agreement or contract, or permits or schematics)? Submit the documents with your report.
- How will you measure success on the housing project?

Available Online Accommodation Platform (OAP) Funds 2020 = \$133,760	
Destination Development \$53,504	
<b>North Coast</b> qathet Regional District workforce housing \$40,128	<b>South Coast</b> Sunshine Coast Regional District workforce housing \$40,128

## Funding Allocation

Upon approval from Sunshine Coast Tourism, a formal Funding Confirmation Letter will be provided to facilitate further leveraging opportunities. Funds to be disbursed based upon project readiness.

Any unallotted amounts will accrue for a period of **two years** from the date received. Any amounts not assigned within two years will default back to Sunshine Coast Tourism's general MRDT revenue which is to be used for destination marketing and development projects.

### **Submission Process**

Sunshine Coast Tourism will begin accepting affordable workforce housing applications starting January 1, 2020 with an application closing deadline of March 1, 2020. All applicants must include the following:

- [Appendix 1.8 Affordable Housing MRDT Plan Application](#) (due upon application)
- [Appendix 2.4 Annual Affordable Housing MRDT Report](#) (due May 31, 2020)

All funding applications are required to be reviewed for final approval by Destination British Columbia prior to the funds being released.

For further information or questions, please contact:

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**Municipal and Regional District Tax  
Program Requirements**

**Summer 2018**

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## 1. Overview

The purpose of this document is to outline the requirements for the Municipal, Regional, and District Tax Program (“MRDT program”) and provide guidance and assistance to municipalities, regional districts, and eligible entities (“designated recipients”) applying for or renewing the Municipal and Regional District Tax (“the tax”) within their communities. This document includes application materials and other forms and templates to assist with application, renewal, and reporting requirements.

***Designated Recipient:** The municipality, regional district or eligible entity that receives the revenue from the tax in a designated accommodation area.*

In *Budget 2018*, the government announced that the eligible uses of MRDT revenues would be expanded to include affordable housing initiatives. At the same time it was announced that online accommodation platforms located outside of BC would be enabled to register to collect provincial sales tax and MRDT on purchases of accommodation through their platform.

In keeping with these announcements, the MRDT Program Requirements have been updated to reflect the changes. In particular, the revised Program Requirements include the following clarifications:

1. MRDT revenues from online accommodation platforms can be used for affordable housing initiatives;
2. General MRDT revenues cannot be used for affordable housing initiatives unless the designated recipient can demonstrate support of tourism stakeholders and accommodation providers; and
3. The requirement to demonstrate accommodation provider support will remain unchanged. Individual hosts that only list on online accommodation platforms will not need to be consulted.

Please see the revised details in Sections 7 and 8 and Appendix 1.8 and 2.4.

Moving forward, the Province will provide existing designated recipients with information on two types of MRDT revenue: revenues from multi-jurisdictional online accommodation platforms (OAP), which are based outside of BC but operate within the designated accommodation area; and revenues from general accommodation providers (general MRDT revenues), such as hotels, motels, etc. This is to support designated recipients’ affordable housing spending (refer to Section 8 for details).

## 2. Enabling Legislation

Section 123 of the *Provincial Sales Tax Act* (refer to [http://www.bclaws.ca/civix/document/id/complete/statreg/12035\\_00](http://www.bclaws.ca/civix/document/id/complete/statreg/12035_00)) imposes a tax of up to three percent on the purchase price of accommodation in a specified geographic area of the province (“designated accommodation area”) on behalf of a designated recipient.

***Designated Accommodation Area:** A specified geographic area of the province in which the tax will be applied on behalf of a designated recipient.*



### 3. Program Purpose

The purpose of the MRDT program is to assist designated recipients to fund tourism marketing, programs and projects. Affordable housing was added as a permissible use of funds in *Budget 2018*.

The MRDT program is jointly administered by the Ministry of Finance, the Ministry Tourism, Arts and Culture, and Destination British Columbia.

The MRDT program is one of a number of supports available to enhance tourism marketing in BC. The MRDT program is intended to help grow BC revenues, visitation and jobs, and amplify BC's tourism marketing efforts in an increasingly competitive marketplace. To promote a coordinated and efficient use of funds, the following **MRDT program principles** have been adopted:

- Effective tourism marketing, programs and projects;
- Effective local-level stakeholder support, and inter-community collaboration;
- Marketing efforts that are coordinated and complementary to provincial marketing strategies and tactics; and
- Fiscal prudence and accountability.

Affordable housing was added as a permissible use of funds in *Budget 2018* to help address local housing needs. Designated recipients have the flexibility to define, identify, and fund affordable housing initiatives that they deem appropriate to meet local needs. Affordable housing funding must be consistent with fiscal prudence and accountability, and will be subject to additional reporting requirements. Further detail, including stakeholder consultation and support requirements, can be found in Section 8.

### 4. Eligible Use of Funds

The *Designated Accommodation Area Tax Regulation* (refer to [http://www.bclaws.ca/civix/document/id/complete/statreg/93\\_2013](http://www.bclaws.ca/civix/document/id/complete/statreg/93_2013)) sets out the authorized purposes for funds collected under the MRDT program. Authorized purposes are tourism marketing, programs and projects, initiatives respecting affordable housing, and any other prescribed purposes as set out in the regulation.

The MRDT program is intended to contribute to the increase of local tourism revenue, visitation, and economic benefits and must be supported by both local governments and tourism industry stakeholders. MRDT for affordable housing is intended to provide flexibility to communities to address their local housing needs.

Funds from the MRDT program should augment current funding and cannot be used to replace existing sources of tourism funding in a community.

As the MRDT program is intended to primarily fund tourism marketing, programs and projects, consideration will only be given in special circumstances to the financing of capital expenditures (other than affordable housing) such as new tourism facilities or infrastructure. Proposals for capital spending must be included in the designated recipient's Five-Year Strategic Business Plan, and must demonstrate strong local stakeholder support in order to be considered as an authorized use of MRDT program funds. A business case must be provided, including budget, for each capital project and all capital projects must be completed within the current Five-Year Strategic Business Plan time period. These proposals will be approved on a case-by-case basis by the Province of British Columbia ("the Province".)

Applicants must contact Destination British Columbia program staff prior to submitting an application including capital expenditures (refer to Section 13: Further Information). Refer to Section 8 for information required for affordable housing initiatives.

Designated recipients are expected to effectively manage administrative costs related to MRDT projects. Administration costs, where applicable, include:

- Management and staff unrelated to program implementation
- Finance staff
- Human Resources staff
- Board of Directors costs
- Employee-related information technology costs (i.e. computers, telephone, support, network connections)
- Office lease/rent
- General office expenses

Considerable scrutiny will be applied to ensure that MRDT program funds are used for authorized purposes.

## **5. Eligible Applicants**

### **5.1 Designated Recipients**

The following are eligible to be a designated recipient under the MRDT program:

- Municipalities;
- Regional districts; and
- Eligible entities.

Under the *Provincial Sales Tax Act*, to qualify as an eligible entity, an applicant must:

- Be a not-for-profit business association (e.g. a society incorporated under the *Society Act*; entities incorporated under the *Business Corporations Act* are not eligible). Note that a not-for-profit society whose specific purpose is tourism marketing is preferred.
- Have a place of business in the designated accommodation area
- Be actively engaged in tourism marketing, programs or projects in the designated accommodation area.

### **5.2 Designated Accommodation Area**

The designated accommodation area may be:

- A whole municipality, but not a portion of a municipality
- A whole regional district or a portion of a regional district
- A combination of municipalities and portions of regional districts.

The tax may be levied in more than one municipality or regional district on behalf of a single designated recipient.

There can be no overlap with any other designated accommodation area in which the tax applies.

Generally, an electoral area is the smallest portion of a regional district that may be prescribed as a designated accommodation area.

### **5.3 Delegation of Administration**

Municipalities and regional districts may either administer the MRDT program directly or delegate administration to a service provider (such as a destination marketing organization). The municipality or regional district remains the designated recipient and remains fully responsible for compliance with all MRDT program requirements.

Eligible entities are not permitted to delegate the administration of the MRDT program to a service provider.

The Province does **not** mediate disputes between municipalities or regional districts and their service providers. A service agreement that details the deliverables and conflict resolution procedure is strongly recommended.

## **6. MRDT Program Overview**

### **6.1 How the MRDT Program Works**

Applicants may apply to request that the Province levy the tax on their behalf in a designated accommodation area.

The tax applies to purchases of taxable accommodation within the designated accommodation area. The tax is collected by the Province on behalf of the designated recipient.

Funds equal to the tax collected in the designated accommodation area minus an administration fee are forwarded to the designated recipient on a monthly basis. OAP revenues will be forwarded to the designated recipient on a quarterly basis.

For new and renewal applications, the tax will be implemented for a period of five years. To extend the tax for an additional five-year period, a designated recipient must re-apply. There is no restriction on the number of times a designated recipient can apply to renew the tax.

Under the *Provincial Sales Tax Act*, all designated recipients must account annually to the Province on how MRDT program funds are spent (refer to Section 11: Annual Performance Management and Reporting Requirements).

### **6.2 Three Percent Rate**

The *Provincial Sales Tax Act* was amended in 2015 to increase the maximum tax rate on the purchase of accommodation that may be imposed in a designated accommodation area from two percent to three percent of the purchase price of the accommodation.

Increasing the rate of tax is optional. A designated recipient may request a change in the rate of the tax to three percent of the purchase price of the accommodation prior to their renewal date by submitting a complete application containing all requirements listed in Section 7: Application Requirements. If approved, the tax will be renewed at the new rate for another five-year period. Designated recipients not subject to renewal requirements will be required to submit a complete application for the new rate one time only.

It is intended that designated recipients implementing a rate of three percent will sponsor and contribute to a provincial Tourism Events Program. Under this program, 0.2 percentage points of the incremental one percent of the tax will contribute to a provincially-led program to support tourism events that are expected to increase tourism to or within British Columbia.

Designated recipients with a three percent tax rate will be subject to enhanced reporting requirements (refer to Appendix 2.2 for further details).

### 6.3 Key Timelines

New applications for the tax, applications for rate changes, and applications that include affordable housing must be submitted at least **nine** months in advance of the desired effective date of the tax.

Renewal applications at the two percent rate must be submitted at least **six** months in advance of the end of the five-year term of the tax ("repeal date").

Under extraordinary circumstances, designated recipients may make a written request to the Minister of Finance for an extension of the application deadline.

Failure to submit a completed application by the deadline may result in the tax ceasing to apply in a particular designated accommodation area.

## 7. Application Requirements

New applications, rate changes, and renewal application requirements include consultation and support from local governments, tourism industry stakeholders and accommodation providers. The application must include **all** of the following information and be submitted as a single complete package:

- A completed application form (refer to Appendix 1.1) signed by an authorized signing authority of the municipality, regional district or eligible entity that confirms that all program requirements have been met and all required documents are included in the application package.
- A Five-Year Strategic Business Plan with first year tactical details that meets all the requirements set out in Appendix 1.2. The applicant is required to make its Five-year Strategic Business Plan available to tourism industry stakeholders and accommodation providers as part of the industry consultation and accommodation support requirements on page 7.
- Evidence that the funds from the tax are incremental to existing sources of tourism funds. The funds from the tax are intended to augment current funding and cannot be used to replace existing sources of tourism funding in a community. An applicant must note any additional funding sources that will be available to support the Five-Year Strategic Business Plan.
- Evidence of consultation and support from local governments.
  - **If a municipality is applying,** the municipality must provide evidence that the regional district has been consulted and indicate whether the regional district supports or opposes the imposition of the tax in the municipality. Evidence could be in the form of a letter from the regional district's Board of Directors.
  - **If a regional district is applying,** the regional district must provide evidence that all municipalities within the regional district have been consulted and agree with the tax being imposed in the regional district. Evidence must be in the form of letters of support from the municipality(ies).
  - **If an eligible entity is applying,** the entity must provide evidence that all municipalities and regional districts within the designated accommodation area have been consulted and agree with the tax being imposed in the designated accommodation area on behalf of the eligible

entity. Evidence must be in the form of letters of support from the municipality(ies) and regional district(s).

- In the case of a conflict between a municipality, regional district or eligible entity about who the designated recipient is for an application or whether the tax should be imposed in a municipality, priority will be given to the position of the municipality.
- Evidence of authority and request to impose the tax.
  - **If a municipality is applying**, the municipality must pass a bylaw that requests the Province levy the tax on its behalf and provide a copy of the bylaw with the application.
  - **If a regional district is applying**, the regional district must pass a resolution that requests the province levy the tax on its behalf and provide a copy of the resolution with the application. The regional district must also provide evidence of its authority to use funds for the intended purpose either through letters patent or statutory authority.
  - **If an eligible entity is applying**, the eligible entity must submit a letter that requests the province levy the tax on its behalf. The eligible entity must also provide evidence of its authority to use funds for the intended purpose by submitting copies of its certificate of incorporation, articles of incorporation, constitution and bylaws.
  - The bylaw, resolution or letter must contain the following information:
    - Rate of tax to be imposed
    - Description of the geographic area in which the tax is to be imposed
    - Purpose for the funds
    - Desired effective date of the tax.
- Documentation on how the MRDT program, including revenue, will be administered (e.g. directly by the designated recipient or through a service provider). If a municipality or regional district is proposing to delegate administration of the program to a service provider, the name and address of the service provider must be included.
- Evidence of consultation with tourism industry stakeholders. The applicant must provide detailed evidence that the applicant has consulted with and received broad support from tourism industry stakeholders within the designated accommodation area in respect of the application. The applicant is required to make its Five-year Strategic Business Plan available to tourism industry stakeholders and provide an opportunity for input. Examples of consultation activities could include presentations at town hall meetings, annual general meetings and information sessions, etc. Letters of support from individual tourism industry businesses or organizations can also be provided.

*Tourism industry stakeholders: Examples may include, but are not limited to, the following within the designated accommodation area:*

- Accommodation providers;
- Attractions, sightseeing, activities and other primary tourism businesses;
- Restaurants, retail and other tourism related businesses;
- Regional and local tourism associations;
- Product Sector organizations;
- Parks and recreation;
- Visitor Centres; and
- Other government agencies and organizations that have programs and services that relate to tourism.

- An Accommodation Directory Form that lists all of the accommodation providers who offer accommodation that is taxable under the *Provincial Sales Tax Act* within the designated accommodation area, and the number of units each accommodation provider offers within the designated accommodation area (refer to Appendix 1.3). While the Province is able to provide an applicant with the names and addresses of registrants under the *Provincial Sales Tax Act*, it remains the responsibility of the designated recipient to ensure the accommodation directory is a complete and accurate list. The designated recipient is not required to identify and consult individual hosts who list on an online accommodation platform (see below). For further information on taxable and exempt accommodation, please see PST Bulletin 120 Accommodation (refer to [http://www.sbr.gov.bc.ca/documents\\_library/bulletins/pst\\_120.pdf](http://www.sbr.gov.bc.ca/documents_library/bulletins/pst_120.pdf)).

For more information on taxable or exempt accommodation refer to PST Bulletin 120 Accommodation [http://www.sbr.gov.bc.ca/documents\\_library/bulletins/pst\\_120.pdf](http://www.sbr.gov.bc.ca/documents_library/bulletins/pst_120.pdf).

- An Accommodation Sector in Support of MRDT Form (refer to Appendix 1.4) that provides evidence that an applicant has sufficient support from accommodation providers who offer taxable accommodation within the designated accommodation area. The minimum required level of support is at least 51 percent of the accommodation providers representing at least 51 percent of the total number of units of accommodation offered by those accommodation providers in the designated accommodation area. Higher support from accommodation providers will increase the likelihood that an application will be approved, providing all other requirements are met. The applicant is required to make its Five-year Strategic Business Plan available to accommodation providers. The applicant is also required to indicate on the Accommodation Sector in Support of MRDT Form if they wish to use general MRDT revenues for affordable housing.

Online accommodation platforms located outside of BC have been enabled to register to collect tax on purchases of accommodation through their platforms. These are online marketplaces that facilitate transactions for renting short-term accommodations (many of which operate across jurisdictions) and typically list basement suites, individual rooms, or other forms of accommodation (such as trailers or motor homes). Their hosts may not regularly offer accommodation, may not be readily identifiable and accessible, and their accommodation units may not be on record with the Province.

This will not affect the way that applicants have consulted accommodation providers in the past. Applicants are not required to identify and consult individual hosts who only list on registered online accommodation platforms. Designated recipients are only required to consult those accommodation providers who are registered under the *Provincial Sales Tax Act* and who physically provide taxable accommodation; whose owners/property managers are readily identifiable; and whose addresses and total number of accommodation units are on record with the Province. This includes hotels and motels, bed and breakfasts, and vacation rental reservation systems that list properties with verifiable property managers.

For clarification, the Province is able to provide the names and addresses of registrants to assist applicants in identifying which accommodation providers to consult.

- Confirmation that Destination British Columbia has been consulted to ensure that proposed spending is coordinated and does not duplicate Destination British Columbia's broader promotional programs and is complementary to provincial marketing strategies and tactics.
- Third Party Authorization Form. If the designated recipient wishes the Province to discuss the application with their service provider the designated recipient must sign and submit the Third Party Authorization Form (refer to Appendix 1.5).
- Disclosure of Information Authorization Form. Applicants must authorize the Ministry of Finance to share information about the designated recipient in respect to the MRDT program with Destination British Columbia and the Ministry of Jobs, Tourism and Skills Training for the purpose of program administration and evaluation, and development of provincial tourism policy (refer to Appendix 1.6).
- A signed Tourism Events Program Sponsorship Undertaking if the application is for a three percent tax rate (refer to Appendix 1.7).
- Affordable Housing Requirements and Documentation, if applicable (see Section 8).

## **8. Application Requirements for Affordable Housing**

### **8.1 Parameters for Spending on Affordable Housing**

Designated recipients have the flexibility to define, identify, and fund affordable housing initiatives that they deem appropriate to meet local needs. Designated recipients may use MRDT revenues for the following purposes for spending on affordable housing initiatives:

- Acquiring, constructing, maintaining or renovating housing or shelter;
- Acquiring or improving land used for, or intended to be used for, housing or shelter;
- Supporting the acquisition, construction, maintenance, renovation or retention of housing or shelter or the acquisition or improvement of land intended to be used for housing or shelter;
- Supporting housing, rental or shelter programs; or
- Paying expenses related to the administration or disposal of housing, shelter or land acquired with money paid out of MRDT revenues.

Documentation and plans for affordable housing (Appendix 1.8 and 2.4) will be forwarded to the Ministry of Municipal Affairs and Housing (MAH) for assessment. Destination BC will remain the initial point of contact for discussions on applications. An updated Appendix 1.6 (Disclosure of Information Authorization Form) is also required for the first time that a designated recipient wishes to use MRDT for affordable housing, regardless of the revenue source.

### **8.2 Using Revenues from Online Accommodation Platforms (OAP) on Affordable Housing**

Designated recipients are able to use OAP revenues on affordable housing initiatives without submitting a new five-year strategic business plan or application package. If a designated recipient chooses to only spend this amount on affordable housing, the following information

on affordable housing will be required prior to implementation and due on November 30 of each year to outline spending in the upcoming year (see Appendix 1.8 and 2.4):

- Project name and address;
- Project rationale and details (what is the need, issue, or demand);
- MRDT contribution;
- Housing provider/Project owner;
- Funding partners (if applicable);
- Funding partners' contribution (if applicable);
- Estimated completion date;
- Estimated number of housing units (number of housing units acquired, completed, maintained, or renovated); and
- Evidence of support on using MRDT revenues for affordable housing from applicable local government(s) (only if the designated recipient is not a municipality).

Designated recipients that have committed to using OAP revenues for purposes other than affordable housing in their tactical plan cannot redirect those revenues to affordable housing midway through the year; they must wait until the submission of the next tactical plan.

### **8.3 Using General MRDT Revenues on Affordable Housing**

For designated recipients that wish to use general MRDT revenues (meaning revenues beyond OAP revenues), they can submit a new application at any time during the five-year tax lifecycle, but the package must include all of the documentation required for a renewal or rate increase application outlined in Section 7, including:

- A completed application form;
- A Five-Year Strategic Business Plan with first year tactical details;
- Evidence that the funds from the tax are incremental to existing sources of tourism funds;
- Evidence of authority and request to impose the tax;
- Evidence of consultation with tourism industry stakeholders;
- An Accommodation Directory Form;
- An Accommodation Sector in Support of MRDT Form (which demonstrates support from 51 per cent of accommodation providers representing 51 per cent of accommodation units);
- Confirmation that Destination British Columbia has been consulted;
- Third Party Authorization Form (if applicable);
- Disclosure of Information Authorization Form;
- A signed Tourism Events Program Sponsorship Undertaking (if applicable); and
- An Affordable Housing MRDT Plan (Appendix 1.8).

Designated recipients not subject to the renewal application requirements that would like to use MRDT revenues on affordable housing initiatives must submit a complete application as outlined above.

## **9. Application Procedure**

Complete application packages must be submitted in PDF format by email to Destination British Columbia (MRDT@destinationbc.ca). The applicant will receive an email from Destination British



Columbia confirming receipt of the application package.

Applicants may be contacted to provide additional information.

Failure to provide complete and accurate information may result in the application being delayed, returned or rejected.

Applicants can find more information about application timelines in Section 6.3.

## 10. Upon Approval of Application

If the application is approved by Cabinet, the Designated Accommodation Area Tax Regulation will be amended to prescribe the designated recipient, the designated accommodation area, the rate of tax, the effective date of the tax, the repeal date of the tax if applicable, and the approved uses of the revenue from the tax for a five-year period.

The applicant will be informed by the Ministry of Finance when the amendment to the Designated Accommodation Area Tax Regulation has been made and will be given information on when the tax will come into effect.

For new applications, the tax will be implemented effective the first day of the month that is three full months after the month in which the tax was approved. For example, if Cabinet approves the tax in May, the tax will be implemented in the designated accommodation area beginning September 1. This provides sufficient time for accommodation providers to prepare to collect the tax.

For rate changes, the new tax rate will be implemented effective the first day of the month that is one full month after the month in which the tax was approved. For example, if Cabinet approves the tax in May, the new tax rate will be implemented in the designated accommodation area beginning July 1.

The Consumer Taxation Programs Branch of the Ministry of Finance will provide information on the procedures for collecting and remitting the tax to all accommodation providers required to collect and remit the tax. Accommodation providers may also refer to PST Bulletin 120 *Accommodation* (refer to [http://www.sbr.gov.bc.ca/documents\\_library/bulletins/pst\\_120.pdf](http://www.sbr.gov.bc.ca/documents_library/bulletins/pst_120.pdf)).

## 11. Annual Performance Management and Reporting Requirements

Under the *Provincial Sales Tax Act*, all designated recipients must account annually to the Province for how money received from the tax has been spent. Therefore, **all designated recipients** must submit an **Annual Performance Report**, a **Financial Report**, and a **One-Year Tactical Plan**, signed by the authorized signing authority of the designated recipient, annually to the Province (email to [MRDT@destinationbc.ca](mailto:MRDT@destinationbc.ca)).

### Annual Performance Report:

- Designated recipients must report on performance metrics related to the four MRDT program principles.
- Designated recipients with a three percent tax rate or

who wish to spend on affordable housing initiatives will be subject to additional reporting requirements.

- The Annual Performance Report must also include a summary of the tactics, activities and key outputs and outcomes.
- A template for the Annual Performance Report is provided in Appendix 2.2.
- **The Annual Performance Report must be submitted by May 31 of each year.**

*The MRDT program principles are:*

- *Effective tourism marketing, programs and projects*
- *Effective local-level stakeholder support, and inter-community collaboration*
- *Marketing efforts that are coordinated and complementary to provincial marketing strategies and tactics*
- *Fiscal prudence and accountability.*

Financial Report:

- The Financial Report must include a detailed budget for the year ending and the year ahead. The Financial Report must show how all of the money received from the tax was spent and certify that all of the money received from the tax was used solely for approved purposes.
- The Financial Report must show that spending of money received from the tax was consistent with the Five-Year Strategic Business Plan.
- The Financial Report must also show the amounts, sources, and uses of all other tourism revenues.
- A template for the Financial Report is provided in Appendix 2.1
- **The Financial Report must be submitted by May 31 of each year.**

Annual Affordable Housing MRDT Report (if applicable):

Designated recipients that spend MRDT revenues on affordable housing, regardless of whether from OAP revenues or from general MRDT revenues, must submit an **Annual Affordable Housing MRDT Report by May 31 of each year** (see Appendix 2.4).

One-Year Tactical Plan:

- The One-Year Tactical Plan must include:
  - A brief overview of the strategic direction from the Five-Year Strategic Business Plan.
  - Key strategies for the year, if different from the Five-Year Strategic Business Plan, and key target markets.
  - Detailed tactics for the next year, including details about tactics and activities, as well as a proposed budget for the next year.
  - Performance measures for next year, including expected outputs, outcomes, and performance metrics. The performance measures must relate to the MRDT program principles (as outlined in Appendix 2.2).
- The One-Year Tactical Plan should be made available to tourism industry stakeholders.
- A suggested template for the One-Year Tactical Plan is provided in Appendix 2.3.
- **The One-Year Tactical Plan must be submitted by November 30 of each year.** If plans are available earlier, please submit as they become available.

Affordable Housing MRDT Plan:

Designated recipients must provide the following information (see Appendix 1.8):

- Project name and address;
- Project rationale and details (what is the need, issue, or demand);
- MRDT contribution;
- Housing provider/Project owner;
- Funding partners (if applicable);
- Funding partners' contribution (if applicable);
- Estimated completion date;
- Estimated number of housing units (how many rooms or beds that would be available for

individual dwelling); and

- Evidence of consultation on using MRDT revenues for affordable housing from applicable local government(s) (only if the designated recipient is not a municipality).

Designated recipients that wish to use general MRDT revenues for affordable housing must provide the above information in their Five-Year Strategic Business Plan, One Year Tactical Plan, and must demonstrate strong local stakeholder support as part of a full application.

Designated recipients that wish to use OAP revenues for affordable housing do not need to provide a Five-Year Strategic Business Plan or One Year Tactical Plan; however, Appendix 1.8 is required and must be submitted prior to implementation of affordable housing initiatives.

The Affordable Housing MRDT Plan (Appendix 1.8) is required for:

- Renewal/new MRDT applications that include affordable housing **regardless of the revenue source**;
- A full application package submitted midway through a five-year tax term if designated recipients wish to use general MRDT revenues on affordable housing; and
- If designated recipients wish to use any OAP revenues on affordable housing in the next year, **due November 30** prior to implementation.

**Please note:**

- Designated recipients from larger communities (those that have the capacity for ongoing multi-year planning and reporting) may be asked to provide their multi-year rolling business plans annually for the purpose of program administration and evaluation.
- Designated recipients not subject to the renewal application requirements must submit a Five-Year Strategic Business Plan every five years. The first Five-year Strategic Business Plan must be submitted to the Province **by November 30 of each year**.

## 12. Amendments

The Designated Accommodation Area Tax Regulation sets out the designated recipient, the designated accommodation area, the rate of the tax, the repeal date of the tax, and the approved uses of the revenue from the tax for a five-year period. Any other use of the revenue is prohibited.

Requests for interim changes to the designated recipient or the designated accommodation area will not be considered. Changes to the designated recipient or the designated accommodation area can only be made in a renewal application.

Proposed changes in the use of revenue from the tax by the designated recipient that require amendments to the Designated Accommodation Area Tax Regulation will generally be considered with renewal applications, for example, a proposal to use revenue from the tax for capital projects

Plans to only use OAP revenues for affordable housing are not required to submit a new application; however, information on affordable housing is required as outlined in Section 11.

Requests to use general MRDT revenues for affordable housing will be considered only once a designated recipient or applicant submits a new application (at any time during the five year tax lifecycle). The package must include all documentation required for a renewal or rate increase application outlined in Sections 7 and 8.

Designated recipients that have committed to using OAP revenues for purposes other than affordable housing in their tactical plan cannot redirect those revenues to affordable housing midway through the year; they must wait until the submission of the next tactical plan.

Designated recipients do not require approval from the Province for changes in marketing tactics previously submitted in their one-year Tactical Plan (as part of their application package or submitted with the annual review), as long as the tactics are consistent with the overall approved five-year Strategic Business Plan.

Any other material changes, that are significant shifts in the direction set out in either the One-Year Tactical Plan or the Five-Year Strategic Business Plan, must be submitted to Destination British Columbia for approval in advance of the change being implemented.

### 13. Monitoring, Compliance, and Termination

Designated recipients are required to comply with all MRDT program requirements, including eligible use of funds and annual reporting requirements. The Minister of Finance may terminate the tax in a designated accommodation area if the designated recipient is found to be in non-compliance with MRDT program requirements, and the non-compliance is not corrected in a timely manner.

The Ministry of Finance undertakes various compliance related activities as part of the administration of provincial consumption taxes, including the MRDT program, to ensure that all amounts due are remitted. The tax is levied under the *Provincial Sales Tax Act*. Any compliance activities undertaken in relation to the tax are carried out as part of those conducted for the Provincial Sales Tax ("PST") according to the schedules and guidelines established for PST.

The Ministry of Finance will review specific lead information provided (for example, a hotel operating without collecting applicable taxes) and will make a determination as to whether any additional follow up may be necessary. The Ministry may conduct any further investigation deemed warranted.

A designated recipient may make a written request to the Minister of Finance to have the tax cease before the scheduled repeal date.

If the tax ceases in a designated accommodation area for any reason (e.g. failure to submit a completed renewal application on time, written request for early termination, or termination for non-compliance) a new application to impose the tax in that designated accommodation area would be required and it would be subject to the normal processing time associated with new applications.

### 14. Further Information

Applicants can request further **information about the MRDT program** by contacting Destination British Columbia by email at [MRDT@destinationbc.ca](mailto:MRDT@destinationbc.ca) or by phone at 604-660-6391.

For information on the **administration and enforcement of the tax**, please contact the Ministry of Finance:

Toll-free from anywhere in Canada call:  
1-877-388-4440 Fax: 250-356-2195  
E-mail: [CTBTaxQuestions@gov.bc.ca](mailto:CTBTaxQuestions@gov.bc.ca)

Please complete all MRDT application requirements and send to [MRDT@destinationbc.ca](mailto:MRDT@destinationbc.ca) in one complete package in PDF format.

## Appendix 1.1 Municipal and Regional District Tax Application Form

**Legal Name of Applicant:** \_\_\_\_\_  
**Designated Accommodation Area:** \_\_\_\_\_  
**Rate of Tax (up to 3%):** \_\_\_\_\_  
**Implementation or Renewal Date:** \_\_\_\_\_

Check when completed	Requirement
<input type="checkbox"/>	Five-year Strategic Business Plan (Appendix 1.2)
<input type="checkbox"/>	Evidence that funds from the tax are incremental to existing sources of tourism funds
<input type="checkbox"/>	Evidence of consultation and support, as applicable, from local governments
<input type="checkbox"/>	Evidence of authority and request to impose the tax (e.g. Bylaw, resolution or letter requesting tax)
<input type="checkbox"/>	Certificate of incorporation, copies of articles of incorporation, constitution, and bylaws (eligible entities only)
<input type="checkbox"/>	Documentation of how the MRDT program, including revenue, will be administered (where applicable)
<input type="checkbox"/>	Evidence of consultation with tourism industry stakeholders
<input type="checkbox"/>	Accommodation Directory Form (Appendix 1.3)
<input type="checkbox"/>	Accommodation Sector in Support of Municipal and Regional District Tax Form (Appendix 1.4)
<input type="checkbox"/>	Confirmation of consultation with Destination British Columbia
<input type="checkbox"/>	Third party Authorization Form (Appendix 1.5, where applicable)
<input type="checkbox"/>	Disclosure of Information Authorization Form (Appendix 1.6)
<input type="checkbox"/>	Tourism Events Program Sponsorship Undertaking (3% applicants only) (Appendix 1.7)
<input type="checkbox"/>	Affordable Housing Plan (Appendix 1.8, where applicable)

By signing this application form, you certify that the information included in the application package is accurate, that all Municipal and Regional District Tax program requirements have been met, and that all required documents have been included in the application package.

Applicant's Authorized Signing Authority Name	Applicant's Authorized Signing Authority Title
Date	Applicant's Authorized Signing Authority Signature

## Appendix 1.2 Five-Year Strategic Business Plan

A municipality, regional district or eligible entity interested in applying for the Municipal and Regional District Tax or a renewal of the Municipal and Regional District Tax must submit an application as set out in the MRDT Program Requirements. A Five-Year Strategic Business Plan is required **at time of application**. This Five-Year Strategic Business Plan must include a detailed One-Year Tactical Plan for the first year of program implementation. Each year (years two through five of the program), the One-Year Tactical Plan must be updated and resubmitted (by November 30<sup>th</sup>) to reflect current marketing activities for the year as part of the annual reporting obligations. A separate template has been provided to guide the development of these year two through five plans (refer to Appendix 2.3).

The Five-Year Strategic Business Plan must encompass the five-year period covered by the application and it **must** include the following elements:

Section 1: Five-year strategic overview with identified targets and actions for the five year period

Section 2: One-Year Tactical Plan with performance measures, and

Section 3: Detailed Budget for Year One

Your Five-Year Strategic Business Plan must adhere to the MRDT program principles.

Please ensure there is alignment between provincial tourism strategies and community tourism efforts. The applicant and designated recipients not subject to renewal applications are required to make their Five-year Strategic Business Plan available to tourism industry stakeholders and accommodation providers as part of the industry consultation and accommodation support requirements.

Your Five-Year Strategic Business Plan must identify marketing strategies, key markets and targets that the community will focus on to build its tourism business and the steps it needs to take to achieve desired results.

Your Five-year Strategic Business Plan should answer the following key questions:

- What business objectives related to tourism does your community expect to achieve?
- What type of growth does your community want to achieve (in the short and long term)?
- How will your community achieve these objectives?
- What type of tourism products will you need?
- What type of visitor are you hoping to attract?

Please contact Destination British Columbia at [MRDT@destinationbc.ca](mailto:MRDT@destinationbc.ca) for any questions.

For more information on tourism business planning, please visit Destination British Columbia's website (refer to [www.destinationbc.ca/Resources/Developing-a-Tourism-Plan.aspx](http://www.destinationbc.ca/Resources/Developing-a-Tourism-Plan.aspx)).

### Quick Reference Guide

*(from the MRDT Program Requirements):*

- The intention of the tax is to assist designated recipients to fund tourism marketing, programs and projects. Affordable housing was added as a permissible use of funds in Budget 2018.
- Funds from the MRDT program are intended to augment current funding and cannot be used to replace existing sources of tourism funding in a community.
- The MRDT program is intended to contribute to the increase of local tourism revenue, visitation, and economic benefits and should be supported by local government and tourism stakeholders.

*The MRDT program principles are:*

- Effective tourism marketing, programs and projects
- Effective local-level stakeholder support, and inter-community collaboration
- Marketing efforts that are coordinated and complementary to provincial marketing strategies and tactics
- Fiscal prudence and accountability.

### Five-Year Strategic Business Plan Template

**Designated Recipient:** \_\_\_\_\_  
**Community Name:** \_\_\_\_\_  
**Date Prepared:** \_\_\_\_\_  
**MRDT Term Expiry Date:** \_\_\_\_\_  
**Five Year Period:** \_\_\_\_\_

A description/instructions pertaining to each section is provided in grey text as a guide only. **The format of your Five-Year Strategic Business Plan may be developed specific to your community needs and resources, but must include all required sections of the Five-Year Strategic Business Plan listed below.** If using this template, please delete the grey text and provide your response accordingly.

Section 1: Five-Year Strategic Overview	
<b>Vision and Mission</b>	<ul style="list-style-type: none"> <li><i>The Vision is future focused, something to be pursued, a destination, inspirational, and verifiable.</i></li> <li><i>The Mission is present focused, reason for being, a roadmap, concrete, and measurable.</i></li> </ul>
<b>Strategic Context</b>	<ul style="list-style-type: none"> <li><i>The Strategic Context will be developed by conducting a situation analysis. The situation analysis is an integral part of this Five-Year Strategic Business Plan and should include current trends, forecasts and areas of priority to address the following:</i> <ul style="list-style-type: none"> <li><i>What are the current economic and tourism conditions?</i></li> <li><i>What challenges and opportunities exist?</i></li> <li><i>Key learnings.</i></li> </ul> </li> </ul>
<b>Overall Goals, Objectives and Targets</b>	<ul style="list-style-type: none"> <li><i>Goals and Objectives are the quantifiable results the recipient expects to achieve over the five year period. Goals should be realistic, achievable, yet challenging and should include a timeline.</i></li> <li><i>Example objectives include amount of MRDT revenue, visitation levels, or visitor revenue desired by a certain date. If an objective is difficult to measure, indicators can be used; for example, the increase in visitors to a sample of operators or the number of enquiries at a website or visitor center could be indicators for overall visitation levels.</i></li> <li><i>Targets should be identified for all Objectives for the five year period.</i></li> </ul>
<b>Strategies - Key Actions</b>	<ul style="list-style-type: none"> <li><i>Strategies describe the broad direction the community will take to achieve the stated goals and objectives.</i></li> <li><i>Strategies look longer term and may not change from year to year while tactics are short-term actions to achieve the implementation of a strategy.</i></li> <li><i>Strategies could include but are not limited to promotional strategies as well as relevant Destination development and Product experience and visitor services strategies:</i> <ul style="list-style-type: none"> <li><i>Examples of promotional strategies are social media, media</i></li> </ul> </li> </ul>



Section 1: Five-Year Strategic Overview	
	<p><i>relations, advertising, joint or levered promotions, or consumer shows.</i></p> <ul style="list-style-type: none"> <li>○ <i>Destination development and product experience strategies may include those addressing infrastructure and policy issues, or products for tourism development.</i></li> <li>○ <i>Visitor services strategies may include approaches to satisfy visitor information needs.</i></li> <li>• <i>Applicants should provide a description of the overall resource allocation by major category</i></li> <li>• <i>Applicants should list key actions for each year of the five year period with more detail in the first three years.</i></li> </ul>
<b>Brand Positioning</b>	<p><i>Please provide the following:</i></p> <ul style="list-style-type: none"> <li>• <i>A statement that clearly defines how the community will be positioned and the rationale.</i></li> <li>• <i>This positioning statement should provide direction for product development and promotional activities.</i></li> <li>• <i>Brand positioning may include other communities clustered within a larger area.</i></li> </ul>
<b>Target Markets</b>	<p><i>Please provide:</i></p> <ul style="list-style-type: none"> <li>• <i>The types of visitors that are priorities for the community, stating primary and secondary target markets.</i></li> <li>• <i>Geographic target markets, demographic, and activity-based target groups.</i></li> </ul>
<b>Management, Governance, and Administration</b>	<p><i>Please provide:</i></p> <ul style="list-style-type: none"> <li>• <i>A description of the proposed management, governance and administration process for the activities and funds.</i></li> <li>• <i>For example, whether the applicant will be carrying out the proposed activities or, in the case of a municipality or regional district, whether a service provider such as a local tourism association or other organization will be responsible for carrying out the proposed activities.</i></li> <li>• <i>The applicant remains responsible for monitoring and reporting on the use of funds, even where the activities are delegated.</i></li> </ul>
<b>Sources of Funding</b>	<ul style="list-style-type: none"> <li>• <i>Please indicate other available sources of funding to fund tourism marketing, programs and projects in addition to the MRDT.</i></li> <li>• <i>Funds from the MRDT must be incremental to existing sources of funding.</i></li> <li>• <i>The funds from the MRDT must not replace existing sources of tourism funding in the community.</i></li> </ul>



<b>Affordable Housing (if applicable)</b>	<ul style="list-style-type: none"><li>• <i>Please provide an overview of what your affordable housing plans seek to achieve over the five-year period (what are the intent and end state).</i></li><li>• <i>Specific details are to be included in Appendix 1.8.</i></li></ul>
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Please provide a **Project Plan** for each major activity you will undertake in the year ahead using MRDT funds. Authorized purposes of MRDT funds are tourism marketing, programs and projects and any other prescribed purposes as set out by regulation.

**Project plans should include the following information for each activity. The recipient can organize the plan in a manner that best reflects their individual approach. Please note that Destination BC may share relevant tactical information with applicable Destination BC program areas to facilitate increased collaboration and alignment.**

1. The **major category** of the activity. Examples could include marketing, destination and product experience management, visitor services, etc.

Marketing, which may include:

- Media Advertising and Production (for example: print, radio, television, out-of-home, paper direct mail, email marketing, search engine marketing, paid social media, display, and native advertising)
- Website - Hosting, Development, Maintenance
- Social Media Management Platforms and Tools (i.e. Hootsuite)
- Consumer Shows and Events
- Collateral production and distribution
- Travel Media Relations (for example: story idea creation, media and influencer FAM hosting/support, attendance at media marketplaces, etc.)
- Travel Trade (for example: trade and FAM hosting/support, etc.)
- Consumer-focused asset development (for example: curation or production of written content, photography, videography)
- Other.

Destination and Product Experience Management, which may include:

- Industry Development and Training - Enhancing Education and Knowledge (for example: market readiness, digital readiness, industry conferences, packaging and tourism-related industry workshops, etc.)
- Product Experience Enhancement and Training (for example: Itinerary Development, Content Development and Key Experience Creation)
- Research, Evaluation and Analytics
- Other.

Visitor Services, which may include:

- Visitor Services Activities (for example: staff wage and benefits, visitor services via social media, digital tools, including mobile apps, kiosks, beacons, etc., roving/mobile visitor services, ambassador programs, FAMs)
- Other.

Meetings, Conventions, Events and Sport:

- Examples could include conferences, events, sales, sport, grant programs, etc.

Affordable Housing, which may include:

- Details on affordable housing projects (project description and rationale, authorizing documents, budget and applicable funding partners)
- Please complete and attach Appendix 1.8.

Other:

- Other activities not covered by the above categories, such as capital expenditures if **pre-approved by government** (prior to application), etc.

2. Please list and describe the **tactics** your community will use to achieve the strategies outlined in Section 1 of your Five-Year Strategic Business Plan. There may be several tactics for each activity.
3. Please provide an **implementation plan** that includes a short description, quantifiable objectives, rationale, action steps, potential partnerships, resources, sources of funding, responsibilities, timeframe, budget, and evaluation mechanism.
4. Please outline the **performance measures, expected outputs and outcomes**. Note, designated recipients receiving a tax rate of 3% are subject to additional reporting requirements. Please refer to Appendix 2.2 for more information about annual reporting of performance measures.

## Project Plan Template

A description/instructions pertaining to each section is provided in grey text as a guide only. **The format of your Project Plan may be developed specific to your community needs and resources. If using this template, please delete the grey text and provide your response accordingly.**

<b>Major Category:</b> <i>(e.g., Marketing - Travel Trade; Visitor Services – Mobile Apps; Conferences)</i>
<b>Activity Title:</b> <i>Please provide the title of activity.</i>
<b>Tactics:</b> <i>Please list and describe the tactics to be used to achieve the strategies outlined in Section 1 of the Strategic Business Plan. There may be several tactics for each activity.</i>
<b>Implementation Plan:</b> <i>For each activity, an implementation plan should include the following information:</i> <b>Short Description:</b>  <b>Quantifiable Objectives:</b>  <b>Rationale:</b>  <b>Action Steps:</b>  <b>Potential Partnerships:</b>  <b>Resources:</b>  <b>Sources of Funding:</b>  <b>Timeframe:</b> <i>(when will the tactic begin and end or is it ongoing?)</i>  <b>Budget:</b>

**Performance Measures:**

- Please review the tactics listed above and identify expected outcomes and outputs for each.
- Report out annually on the performance measures (refer to Appendix 2.2).
- The performance measures must align with the four MRDT Program Principles:
  - Effective tourism marketing, programs and projects
  - Effective local-level stakeholder support, and inter-community collaboration
  - Marketing efforts that are coordinated and complementary to provincial marketing strategies and tactics
  - Fiscal prudence and accountability.
- Consider the following definitions when preparing the output and outcome measures:
  - Outputs - measure the level of service provided by a project or provides information about what was done. They define "what you did", e.g., hosted four media familiarization trips.
  - Outcomes - measures on the achievement of broader goals such as increasing average visitor yield or enhancing the customer experience.

- Examples only:

Output Measures:

- Types of marketing activities
- Number of event campaigns and results
- Description of social media activities and outcomes
- Number of media placements
- Number of conventions and meeting sales
- Webpage visits
- Visitor inquiries/calls

Outcome Measures:

- Visitor volume
- Visitor nights & visitor spending
- Visitor revenues
- Average length of stay
- Accommodation revenues
- Number of new tourism businesses



### Section 3: MRDT Budget for Year One

Designated recipients must complete the budget table as provided below.

Revenues		Budget \$
Carry-forward from previous calendar year		
MRDT		
MRDT from online accommodation platforms		
<b>MRDT Subtotal</b>		
Local government contribution		
Stakeholder contributions (i.e. membership dues)		
Co-op funds received (e.g. DBC Coop; DMO-led projects)		
Grants – Federal		
Grants – Provincial		
Grants/Fee for Service - Municipal		
Retail Sales		
Interest		
Other		
<b>Total Revenues</b>		
Expenses		Budget \$
<b>Marketing</b>		
Marketing staff – wage and benefits		
Media advertising and production		
Website - hosting, development, maintenance		
Social media		
Consumer shows and events		
Collateral production and distribution		
Travel media relations		
Travel trade		
Consumer-focused asset development (imagery, video, written content)		
Other (please describe)		
<b>Subtotal</b>		
<b>Destination &amp; Product Experience Management</b>		
Destination & Product Experience Management Staff – wage and benefits		
Industry development and training		
Product experience enhancement and training		
Research, evaluation, analytics		
Other (please describe)		
<b>Subtotal</b>		
<b>Visitor Services</b>		
Visitor services activities		
Other (please describe)		
<b>Subtotal</b>		
<b>Meetings, Conventions, Events and Sport</b>		
Meetings, conferences, conventions, sales, events, sport, and grant programs, etc.		
<b>Subtotal</b>		
<b>Administration</b>		
Management and staff unrelated to program implementation – wages and benefits		
Finance staff – wages and benefits		
Human Resources staff – wages and benefits		
Board of Directors costs		



	Information technology costs – workstation-related costs (i.e. computers, telephone, support, networks)	
	Office lease/rent	
Expenses		Budget \$
	General office expenses	
	<b>Subtotal</b>	
	<b>Affordable Housing</b>	
	General MRDT revenues	
	Revenues from online accommodation platforms	
	<b>Subtotal</b>	
	<b>Other</b>	
	All other wages and benefits not included above	
	Other activities not included above (please describe)	
	<b>Subtotal</b>	
	<b>Total Expenses:</b>	
<b>Balance or Carry Forward</b>		

**Projected Spend by Market (broad estimate)**

Add more rows as needed.

Geographic Market	Total Marketing Budget by Market	% of Total \$ by Market
BC		
Alberta		
Ontario		
Other Canada (please specify)		
Washington State		
California		
Other USA (please specify)		
Mexico		
China		
UK		
Germany		
Australia		
Japan		
Other International (Please specify)		
<b>Total</b>		



Please list **ALL** the accommodation providers who offer accommodation that is taxable under the *Provincial Sales Tax Act* within the designated accommodation area, and the number of units each accommodation provider offers within the designated accommodation area. Applicants are not required to list individual hosts who only list on an online accommodation platform.

**Legal Name of Applicant:** \_\_\_\_\_

[illegible]



## Appendix 1.4 Accommodation Sector in Support of Municipal and Regional District Tax Form

Legal Name of Applicant: \_\_\_\_\_ Rate of Tax (2% or 3%): \_\_\_\_\_

*Applicants, please check the following, if applicable:*

Does the designated recipient plan on using general MRDT revenues (meaning revenues beyond Online Accommodation Platform revenues) for affordable housing initiatives and are these activities included as part of the Five-Year Business Plan and One-Year Tactical Plan (including Appendix 1.8)?

☐ YES ☐ NO

The Municipal and Regional District Tax (MRDT) is being proposed or is up for renewal in your municipality/region. The MRDT is intended to assist municipalities, regional districts and eligible entities in funding local tourism marketing programs and projects, as outlined in the applicant's Five-Year Strategic Business Plan. Affordable housing initiatives are also included as a permissible use of revenues. Accommodation providers may request a copy of the Five-Year Strategic Business Plan from the applicant. The MRDT will apply to purchases of accommodation that are taxable under the *Provincial Sales Tax Act* within the designated accommodation area.

As an owner/manager offering accommodation, your input is critical. The minimum support required from the accommodation sector for the tax to be imposed is at least 51% of the number of establishments that would collect the tax within the municipality/region representing at least 51% of the total number of rooms.

BY SIGNING THIS FORM, YOU HAVE INDICATED THAT YOU SUPPORT IMPLEMENTATION OF THE MUNICIPAL AND REGIONAL DISTRICT TAX IN YOUR MUNICIPALITY/REGION AND THAT YOU ARE AUTHORIZED TO ACT ON BEHALF OF YOUR ORGANIZATION. [ATTACH ADDITIONAL SHEETS AS REQUIRED]

Property Name	Address	Number of Units	Owner/Manager (Print Name)	Signature	Date



**Freedom of Information and Protection of Privacy Act (FOIPPA).** The personal information on this form is collected for the purpose of administering the Municipal and Regional District Tax program under the authority of the *Provincial Sales Tax Act* and section 26 of FOIPPA. Questions about the collection or use of this information can be directed to Destination British Columbia at [MRDT@destinationbc.ca](mailto:MRDT@destinationbc.ca).

### Appendix 1.5 Third Party Authorization Form

As part of our commitment to protect your privacy and confidentiality you can use this form to authorize Destination British Columbia to communicate and exchange information regarding the Municipal and Regional District Tax program with your representative. If you wish to cancel or change any part of this authorization please advise Destination British Columbia by email at [MRDT@destinationbc.ca](mailto:MRDT@destinationbc.ca).

This authorization does not change your responsibilities and obligations under the Municipal and Regional District Tax Program.

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#### Section 1: Applicant Information

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Name and Title of Authorized Signing Authority: \_\_\_\_\_

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#### Section 2: Authorization of a Third Party Representative

☐ I authorize Destination British Columbia to communicate with my representative named below on the Municipal and Regional District Tax program.

Name of Representative: \_\_\_\_\_

Organization: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_ Email: \_\_\_\_\_

---

#### Section 3: Applicant Signature

By signing this form, you acknowledge that Destination British Columbia is authorized to communicate with your representative named above but that you remain fully responsible for fulfilling all obligations under the Municipal and Regional District Tax program.

Applicant's Authorized Signing Authority Name	Applicant's Authorized Signing Authority Title
Date	Applicant's Authorized Signing Authority Signature



**Freedom of Information and Protection of Privacy Act (FOIPPA).** The personal information on this form is collected for the purpose of administering the Municipal and Regional District Tax program under the authority of the *Provincial Sales Tax Act* and section 26 of FOIPPA. Questions about the collection or use of this information can be directed to Destination British Columbia at [MRDT@destinationbc.ca](mailto:MRDT@destinationbc.ca).

## Appendix 1.6 Disclosure of Information Authorization Form

Confidentiality restrictions under the *Provincial Sales Tax Act* prevent the Ministry of Finance from disclosing tax information collected under the Act except under limited circumstances. Administration of the Municipal and Regional District Tax program requires the Ministry of Finance to share information with the Ministry of Municipal Affairs and Housing (Appendix 1.8 and 2.4 only, as applicable), Ministry of Tourism, Arts and Culture, and with Destination British Columbia for the purpose of program administration and evaluation, and development of provincial tourism policy.

Signing this form will allow the Ministry of Finance to share information about the applicant with respect to the MRDT program with the Ministry of Tourism, Arts and Culture and Destination British Columbia for the above purposes.

If you wish to cancel or change any part of this authorization please advise Destination British Columbia by email at [MRDT@destinationbc.ca](mailto:MRDT@destinationbc.ca).

This authorization does not change your responsibilities and obligations under the Municipal and Regional District Tax program.

### Section 1: Applicant Information

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Name and Title of Authorized Signing Authority: \_\_\_\_\_

### Section 2: Authorization

- ☐ I authorize the Ministry of Finance to share information about the applicant with respect to the Municipal and Regional District Tax program with the Ministry of Tourism, Arts and Culture and Destination British Columbia for the purpose of program administration and evaluation, and development of provincial tourism policy.

Applicant's Authorized Signing Authority Name	Applicant's Authorized Signing Authority Title
Date	Applicant's Authorized Signing Authority Signature

## Appendix 1.7 Tourism Events Program Sponsorship Undertaking For 3% Applications Only

**Name:** \_\_\_\_\_  
**Address:** \_\_\_\_\_  
**Fax Number:** \_\_\_\_\_  
**Designated Recipients:** \_\_\_\_\_  
**Designated Accommodation Area:** \_\_\_\_\_

In support of its application to introduce or increase the Municipal and Regional District Tax rate under section 123 of the *Provincial Sales Tax Act* at or to 3% ("3% MRDT"), the Applicant agrees that, subject to approval of its application and implementation of the 3% MRDT, the Applicant will sponsor the administration and implementation of the provincial Tourism Events Program as further described in Schedule A as may be amended by the Province from time to time, as long as the 3% MRDT applies and the Tourism Events Program is continued. In particular, the Applicant consents upon becoming a Designated Recipient with a 3% MRDT in the Designated Recipient's Designated Accommodation Area to:

- Make Sponsorship Payments to the Her Majesty the Queen in the Right of the Province of British Columbia (the "Province") in relation to the provincial Tourism Events Program, equal to 2/30 of the Net Distributable 3% MRDT Collections (as defined in Schedule B hereto) collected in the Designated Recipient's Designated Accommodation Area; and
- The Province retaining a portion of the 3% MRDT it collects as agent of the Designated Recipient by way of set-off in respect of the money the Designated Recipient owes to the Province, in accordance with Schedule B hereto.

For purposes of this undertaking, "Sponsorship Payments" means monthly payments to the Province by the Designated Recipient, to be used for sponsoring the provincial Tourism Events Program so long as it continues, from Net Distributable 3% MRDT Collections in accordance with Schedule B.

Applicant's Authorized Signing Representative Name	Applicant's Authorized Signing Representative Title
Date	Applicant's Authorized Signing Representative Signature

## **Schedule A**

### **Tourism Events Program Overview**

British Columbia is an internationally renowned destination with an excellent reputation for maximizing its world-class infrastructure to deliver remarkable experiences for travellers. As a result, BC's tourism sector is a key economic driver, helping to create jobs and keep the province's economy diverse, strong and growing.

Understanding that tourism is one of the world's most competitive industries, the Province launched the **Tourism Events Program (TEP)** to support the delivery of events that have a high tourism value: events that will increase the volume of visitors to British Columbia, and/or increase global recognition for the province.

The TEP is an application-based program, with two application intakes per year with corresponding event windows (March 1 to April 30 and September 1 to October 31).

TEP funding is open to all organizations and communities across British Columbia.

TEP provides incremental funding to eligible events to support their marketing or promotional activities in order to increase and broaden the impact of the event.

Applications must demonstrate how eligible events:

- Raise awareness nationally and internationally of British Columbia's tourism brands;
- Motivate Canadians and people from around the world to experience British Columbia's natural beauty, diverse activities and world-class infrastructure; and
- Offer the greatest incremental tourism and economic impact to the host community and the surrounding region.

For more information, please visit the TEP webpage at: <http://www.destinationbc.ca/BC-Tourism-Industry/Municipal-and-Regional-District-Tax-Program/Tourism-Events-Program.aspx>

**Schedule B**  
**Sponsorship Payments and Payments to the Designated Recipient**  
**Of 3% MRDT Revenue**

**Provincial Payment to the Designated Recipient**

The following table illustrates how the Province will calculate the monthly payments it makes to the Designated Recipient in accordance with the *Provincial Sales Tax Act* and with this undertaking to sponsor the provincial Tourism Events Program, as may be amended from time to time by the Province.

**Monthly Payments to Designated Recipient**

Adjustment/ Result	
	Monthly gross collections of the 3% MRDT [ tax collected under sections 123, 123.2(3) and 123.3(3) of the <i>Provincial Sales Tax Act</i> ]
Plus or Less:	Ministry of Finance collection/audit assessment adjustments in respect of previous periods
Less:	MRDT collection/administration fee [set by the Ministry of Finance from time to time ]
Equals:	<b>Net Distributable 3% MRDT Collections</b>
Less:	Sum of all <b>Sponsorship Payments</b> in a month [i.e., Net Distributable 3% MRDT Collections multiplied by 2/30]
Equals:	<b>Total Payment to Designated Recipient</b> in a month

## Appendix 1.8 Affordable Housing MRDT Plan

The following table **must** be completed if the designated recipient wishes to use MRDT revenues on affordable housing initiatives, regardless of whether revenues are solely from online accommodation platforms or from general MRDT revenues.

Project Name and Address
<p><b>Project Goals, Rationale and Details</b></p> <ul style="list-style-type: none"> <li>• <b>How does this project respond to affordable housing needs in your community?</b></li> <li>• What is the need, issue, or demand?</li> <li>• What kind of project are you spending on (such as acquiring or constructing buildings, providing funding to an existing housing project or towards a rental or social housing program, or entering into a partnership agreement)?</li> <li>• What documentation do you have authorizing the project to proceed (such as a contribution agreement or contract, or permits or schematics)? <b>Submit the documents with your report.</b></li> <li>• How will you measure success on the housing project?</li> </ul>
<p><b>MRDT Contribution</b></p> <ul style="list-style-type: none"> <li>• Also indicate if the contribution is from OAP or general MRDT revenues.</li> </ul>
<p><b>Housing Provider/Project Owners/Project Lead</b></p>

<b>Funding Partner(s)</b>
<b>Contribution from Funding Partner(s)</b>
<b>Estimated Completion Date</b>
<b>Estimated Number of Housing Units Completed</b>
<ul style="list-style-type: none"> <li>The number of housing units (such as rooms available for individual dwelling) acquired, completed, maintained, or renovated.</li> </ul>
<b>Evidence of Consultation with Local Governments for Affordable Housing (if applicable)</b>
<ul style="list-style-type: none"> <li>If the designated recipient is not a municipality, provide evidence of consultation (such as support letters) from the applicable local government(s) in your area in regards to using MRDT revenues for affordable housing.</li> <li>If your affordable housing spending has already been approved through the submission of a Five-Year Strategic Plan, this section is not required.</li> </ul>

## Appendix 2.1 Financial Report

Under the *Provincial Sales Tax Act*, all designated recipients, including designated recipients not subject to the renewal application requirement, must report back to the Province annually in the form of a Financial Report **by May 31 of each year**.

The Financial Report must show how all of the money received from the tax was spent and certify that all of the money received from the tax was used solely for approved purposes. The Financial Report must show that spending of money received from the tax was consistent with the Five-Year Strategic Business Plan. The Financial Report must also show the amounts, sources, and uses of all other tourism revenues.

**Designated Recipient:** \_\_\_\_\_  
**Designated Accommodation Area:** \_\_\_\_\_  
**Date Prepared:** \_\_\_\_\_  
**MRDT Repeat Date (if applicable):** \_\_\_\_\_  
**Total MRDT Funds Received:** \_\_\_\_\_  
**Year Ending:** \_\_\_\_\_

### Section 1: Actual Spending by Market

Add more rows as needed.

Geographic Market	Total Marketing Budget by Market	% of Total \$ by Market
BC		
Alberta		
Ontario		
Other Canada ( <i>please specify</i> )		
Washington State		
California		
Other USA ( <i>please specify</i> )		
Mexico		
China		
UK		
Germany		
Australia		
Japan		
Other International ( <i>Please specify</i> )		
<b>Total</b>		



## Section 1: MRDT Budget Variance Report

Designated recipients **must** complete the table as provided below. Refer to Appendix 2.3 for further expense line item descriptions.

Revenues		Budget \$	Current Year Actual \$	Variance
	Carry forward from previous calendar year			
	MRDT			
	MRDT, online accommodation platforms			
	Local government contribution			
	Stakeholder contributions (i.e. membership fees)			
	Co-op funds received (e.g. DBC coop, DMO-led projects)			
	Grants - Federal			
	Grants - Provincial			
	Grants/Fee for Service - Municipal			
	Retail Sales			
	Interest			
	Other			
	<b>Total Revenues</b>			
Expenses		Budget \$	Actual \$	Variance
	<b>Marketing</b>			
	Marketing staff – wage and benefits			
	Media advertising and production			
	Website - hosting, development, maintenance			
	Social media			
	Consumer shows and events			
	Collateral production and distribution			
	Travel media relations			
	Travel trade			
	Consumer-focused asset development (imagery, video, written content)			
	Other			
	<b>Subtotal</b>			
	<b>Destination &amp; Product Experience Management</b>			
	Destination and product experience management staff – wage and benefits			
	Industry development and training			
	Product experience enhancement and training			
	Research, evaluation, analytics,			
	Other			
	<b>Subtotal</b>			
	<b>Visitor Services</b>			
	Visitor Services activities			
	Other (please describe)			
	<b>Subtotal</b>			



Expenses	Budget \$	Actual \$	Variance
<b>Meetings, Conventions, Events and Sport</b>			
Meetings, conventions, conferences, sales, events, sport, grant programs etc.			
<i>Subtotal</i>			
<b>Administration</b>			
Management and staff unrelated to program implementation - wages and benefits			
Finance staff – wages and benefits			
Human Resources staff – wages and benefits			
Board of Directors costs			
Information technology costs – workstation related costs (i.e. computers, telephone, support, networks)			
Office lease/rent			
General office expenses			
<i>Subtotal</i>			
<b>Affordable Housing</b>			
General MRDT revenues			
Revenues from online accommodation platforms			
<i>Subtotal</i>			
<b>Other</b>			
All other wages and benefits not included above			
Other activities not included above (please describe)			
<i>Subtotal</i>			
<b>Total Expenses</b>			
<b>Balance or Carry Forward</b>			

By signing this form, you certify that the above information is an accurate representation of the actual tourism related expenditures for the jurisdiction defined under the terms of the Municipal and Regional District Tax.

Designated Recipient's Authorized Signing Authority Name	Designated Recipient's Authorized Signing Authority Title
Date	Designated Recipient's Authorized Signing Authority Signature

## Appendix 2.2 Annual Performance Report

Under the *Provincial Sales Tax Act*, all designated recipients, including designated recipients not subject to the renewal application requirement, must report back to the Province annually. As such, all designated recipients (or the designated recipient's service provider), are required to complete the following Annual Performance Report as well as a Financial Report (refer to Appendix 2.1) **by May 31 of each year**.

All designated recipients are required to fill in the sections below.

**Only** those designated recipients that receive the three percent tax rate will be required to report out on additional metrics (as indicated below).

A description/instructions pertaining to each performance metric is provided in grey text as a guide only. Please delete the grey text and provide your response accordingly.

Designated Recipient: \_\_\_\_\_ Report Completed: dd-mm-yr  
Designated Accommodation Area: \_\_\_\_\_ Reporting period: Jan 1- Dec 31 – yr\*  
\*or for first year of term, indicate accordingly

1. Effective tourism marketing, programs and projects			
MRDT-funded tourism marketing, programs and projects maximize the potential for increased visitation and growth in tourism business activity, employment and incremental tourism revenue.			
Mandatory Metric	Designated Recipient Response		
MRDT Revenue	<i>Report on the total annual MRDT revenue received by the Designated Recipient. The period should be between January 1 to December 31 of the reporting year (or portion thereof in the first year of reporting).</i>		
MRDT activities, tactics, investment efforts and outcomes (as per your One-Year Tactical Plan)	<p><i>Report on the MRDT activities, tactics, investment efforts and resulting outputs achieved in the reporting period indicated above.</i></p> <p><i>Metrics will vary by tactic. Example metrics include:</i></p> <table border="0"> <tr> <td> <u>OUTPUT MEASURES</u> <ul style="list-style-type: none"> <li>• Types of marketing activities</li> <li>• Number of event campaigns and results</li> <li>• Description of social media activities and outcomes</li> <li>• Number of media placements</li> <li>• Number of conventions and meeting sales</li> <li>• Webpage visits</li> <li>• Visitor inquiries/calls.</li> </ul> </td><td> <u>OUTCOME MEASURES</u> <ul style="list-style-type: none"> <li>• Visitor volume</li> <li>• Visitor nights and visitor spending</li> <li>• Visitor revenues</li> <li>• Average length of stay</li> <li>• Accommodation revenues</li> <li>• Number of new tourism businesses.</li> </ul> </td></tr> </table>	<u>OUTPUT MEASURES</u> <ul style="list-style-type: none"> <li>• Types of marketing activities</li> <li>• Number of event campaigns and results</li> <li>• Description of social media activities and outcomes</li> <li>• Number of media placements</li> <li>• Number of conventions and meeting sales</li> <li>• Webpage visits</li> <li>• Visitor inquiries/calls.</li> </ul>	<u>OUTCOME MEASURES</u> <ul style="list-style-type: none"> <li>• Visitor volume</li> <li>• Visitor nights and visitor spending</li> <li>• Visitor revenues</li> <li>• Average length of stay</li> <li>• Accommodation revenues</li> <li>• Number of new tourism businesses.</li> </ul>
<u>OUTPUT MEASURES</u> <ul style="list-style-type: none"> <li>• Types of marketing activities</li> <li>• Number of event campaigns and results</li> <li>• Description of social media activities and outcomes</li> <li>• Number of media placements</li> <li>• Number of conventions and meeting sales</li> <li>• Webpage visits</li> <li>• Visitor inquiries/calls.</li> </ul>	<u>OUTCOME MEASURES</u> <ul style="list-style-type: none"> <li>• Visitor volume</li> <li>• Visitor nights and visitor spending</li> <li>• Visitor revenues</li> <li>• Average length of stay</li> <li>• Accommodation revenues</li> <li>• Number of new tourism businesses.</li> </ul>		
Key Learnings	<i>Please provide an assessment of effectiveness of tactics, describe what worked, what didn't and lessons learned.</i>		

## 2. Effective local-level stakeholder support and inter-community collaboration

Designated recipients are responsible for engaging with key stakeholders, establishing local-level support, and seeking out efficiencies through collaborative activities to inform appropriate decision-making regarding investments.

Mandatory Metric	Designated Recipient Response
<b>Extent of Local-level Stakeholder Engagement</b>	<p><i>Report on the engagement activities they have undertaken annually to ensure stakeholders are informed and have the ability to provide input on direction. Metrics will vary by tactic.</i></p> <p><i>Example of metrics include the number and descriptions of:</i></p> <ul style="list-style-type: none"> <li>• <i>Outreach communications (such as newsletters, marketing plans and annual reports)</i></li> <li>• <i>Conferences, engagement sessions, or annual general meetings.</i></li> </ul>
<b>Stakeholder Satisfaction</b>	<p><b><i>Only for designated recipients collecting 3% tax:</i></b></p> <p><i>The designated recipient must conduct an annual stakeholder survey to:</i></p> <ul style="list-style-type: none"> <li>• <i>Assess the level of awareness of tourism marketing activities in the community (region)</i></li> <li>• <i>Assess the level of satisfaction with the use of MRDT funds.</i></li> </ul> <p><i>Examples of tourism industry stakeholders may include, but are not limited to, the following within the designated accommodation area:</i></p> <ul style="list-style-type: none"> <li>• <i>accommodation providers;</i></li> <li>• <i>attractions, sightseeing, activities and other primary tourism businesses;</i></li> <li>• <i>restaurants, retail and other tourism related businesses;</i></li> <li>• <i>Regional and local tourism associations;</i></li> <li>• <i>Product Sector organizations;</i></li> <li>• <i>Parks and recreation;</i></li> <li>• <i>Visitor Centres; and</i></li> <li>• <i>Other government agencies and organizations that have programs and services that relate to tourism.</i></li> </ul> <p><i>The designated recipient must append a copy of the survey (list of questions asked), list of respondents and aggregated results to this report.</i></p> <p><i>The designated recipient must seek Destination British Columbia's feedback on the methodology, defining the survey questions and survey audience prior to issuing the survey.</i></p>
<b>Community Collaboration</b>	<p><b><i>Only for designated recipients collecting 3% tax:</i></b></p> <p><i>Report on the collaborative activities and outcomes to demonstrate partnerships and alignment within and across communities on tourism marketing activities and with provincial or federal tourism-related agencies as appropriate.</i></p>

Mandatory Metric	Designated Recipient Response
<b>Community Collaboration</b>	<p><i>Examples of collaborative activities include:</i></p> <ul style="list-style-type: none"> <li>• Meetings and discussions with other designated recipients or Destination Marketing Organizations in other designated accommodation areas</li> <li>• Meetings and discussions with other tourism industry stakeholders on shared interests and goals</li> <li>• Integrated planning</li> <li>• Sharing of resources on content and asset development</li> <li>• Aligned product development</li> </ul> <p><i>Cooperative and or partnered marketing campaigns/initiatives</i></p>
<p><b>3. Marketing Efforts Are Coordinated and complementary to provincial marketing strategies and tactics:</b></p> <p>Designated recipients are responsible for ensuring their marketing efforts complement and do not duplicate those of Destination British Columbia to avoid overlap at the community level and dilution of BC's marketing message in key domestic and international markets.</p>	
Mandatory Metric	Designated Recipient Response
<b>Provincial Alignment</b>	<p><i>Report on actions taken to verify that proposed activities are in complimentary and support Destination BC, regional, community and/or other available tourism strategic and/or marketing plans as part of the completion of One-Year Tactical Plan.</i></p> <p><i>Examples of actions taken could include:</i></p> <ul style="list-style-type: none"> <li>• Refer to Destination British Columbia's strategic plan and regional plans</li> <li>• Liaise/consult with regional and/or provincial staff during strategic/tactical plan development</li> <li>• Provincial or regional staff attendance at community AGM, planning sessions or marketing showcases</li> <li>• Attendance at provincial marketing and/or planning sessions</li> <li>• Attendance at regional marketing and/or planning sessions</li> <li>• Attendance at regional annual conferences/marketing presentations.</li> </ul>
<b>Coordinated with Destination British Columbia on Travel Media and Travel Trade Activities</b>	<p><i>Only for designated recipients collecting 3% tax:</i></p> <p><i>Report on actions taken to ensure travel trade and travel media activities are coordinated with Destination BC's overarching marketing plan, and similar activities undertaken by other designated recipients.</i></p> <p><i>The designated recipient should also report on any outcomes of trade show and travel trade activities.</i></p>

#### 4. Fiscal prudence and accountability

All designated recipients must be accountable, transparent, and make fiscally prudent investments in community tourism marketing.

<b>Mandatory Metric</b>	<b>Designated Recipient Response</b>
<b>Effective Financial Management</b>	<i>The designated recipient must provide a completed Financial Report (refer to Appendix 2.1) that shows how MRDT funds were spent consistent with the designated recipient's Five-Year Strategic Business Plan and certify that all of the revenue was used solely for purposes as approved in their One-Year Tactical Plan.</i>
<b>Streamlined Administrative Costs</b>	<i>The designated recipient must identify and include all administrative costs as outlined in Appendix 2.1 and in accordance to the definition provided in the MRDT Program Requirements (Section 4: Eligible Use of Funds).</i>
<b>Leveraging of Other Marketing Funds</b>	<p><i>The designated recipient must provide details (in this space) regarding what steps they undertook to leverage funding over the year.</i></p> <p><i>Additionally, the designated recipient must provide the amount(s) and source(s) of marketing funds leveraged from other sources in the Financial Report (refer to Appendix 2.1).</i></p>

By signing this form, you certify the accuracy and completeness of the information provided above.

Designated Recipient's Authorized Signing Authority Name	Designated Recipient's Authorized Signing Authority Title
Date	Designated Recipient's Authorized Signing Authority Signature

## Appendix 2.3 One-Year Tactical Plan

Under the *Provincial Sales Tax Act*, all designated recipients, including designated recipients not subject to the renewal application requirement, must report to the Province annually. As such all designated recipients (or the designated recipient's service provider), are required to complete the following One-year Tactical Plan **no later than November 30<sup>th</sup> each year for years two through five**. If plans are available earlier, please submit as they become available. A Five-year Strategic Business Plan is required in year 1.

The One-year Tactical Plan must be consistent with the Five-year Strategic Business Plan and be based on the calendar year.

**A sample Tactical Plan template has been provided below. However, the format of the Tactical Plan may be developed specific to your community needs and resources.**

Similar to the Five-year Strategic Business Plan, the One-year Tactical Plan must adhere to the MRDT program principles (see box).

Please ensure there is alignment between provincial tourism strategies and community tourism efforts. Additionally, designated recipients should make their One-year Tactical Plans available to tourism industry stakeholders.

If you wish to make material modifications to the Five-year goals, strategies or targets, the changes must be identified in the One-year Tactical Plan and may require approval from the Province (see Section 11: Amendments in Program Requirements).

Your One-year Tactical Plan must contain the following information:

- An overview of the strategic direction from the Five-Year Strategic Business Plan
- Key learning and conclusions from the previous year
- Details about activities and tactics for the upcoming year
- Expected outcomes
- Availability of revenue from other sources to fund projects in addition to the funds from the tax (Reminder: funds from the tax must be incremental to existing sources of funding. The funds from the tax must not replace existing sources of tourism funding in a community)
- A proposed budget for the year ahead

For questions, please contact Destination British Columbia at [MRDT@destinationbc.ca](mailto:MRDT@destinationbc.ca).

### *Quick Reference Guide*

*(from the MRDT Program Requirements):*

- *The intention of the tax is to assist designated recipients to fund tourism marketing, programs and projects.*
- *Funds from the MRDT program are intended to augment current funding and cannot be used to replace existing sources of tourism funding in a community.*
- *The MRDT program is intended to contribute to the increase of local tourism revenue, visitation, and economic benefits and should be supported by local government and tourism stakeholders.*

*The MRDT program principles are:*

- *Effective tourism marketing, programs and projects*
- *Effective local-level stakeholder support, and inter-community collaboration*
- *Marketing efforts that are coordinated and complementary to provincial marketing strategies and tactics*
- *Fiscal prudence and accountability.*

## One-Year Tactical Plan Template

**Designated Recipient:** \_\_\_\_\_  
**Designated Accommodation Area:** \_\_\_\_\_  
**Date Prepared:** \_\_\_\_\_  
**MRDT Repeat Date:** \_\_\_\_\_  
**Five Year Period:** \_\_\_\_\_

A description/instructions pertaining to each section is provided in grey text as a guide only. **The format of your One-Year Tactical Plan may be developed specific to your community needs and resources.** If using this template, please delete the blue text and provide your response accordingly. If using your own report template, please ensure it includes the following sections:

Section 1: Overview and Update to Five-year Strategic Context	
Heading	Description
<b>Strategic Direction</b>	<ul style="list-style-type: none"> <li>A brief overview of the strategic direction from the Five-Year Strategic Business Plan, which may include an articulation of the Vision, Mission, Goals and Objectives from the Five-Year Strategic Business Plan.</li> </ul>
<b>Key Learnings and Conclusions</b>	<ul style="list-style-type: none"> <li>Key learnings and conclusions from a situation analysis or annual review that will inform your One-Year Tactical Plan.</li> <li>Provide an update on progress to date for current year activities.</li> </ul>
<b>Overall Goals, and Objectives</b>	<ul style="list-style-type: none"> <li>Overall Goals, Objectives and Targets, if different from the Five-year Strategic Business Plan.</li> </ul>
<b>Strategies</b>	<ul style="list-style-type: none"> <li>Key Strategies for the year, if different from the Five-Year Strategic Business Plan. If any change in Key Strategies is deemed to be material or a substantial shift from original direction set, then approval from Destination British Columbia will be required before implementation.</li> <li>Identify your key content themes for the year (i.e. wilderness, touring, ski, etc.)</li> </ul>
<b>Target Markets</b>	<ul style="list-style-type: none"> <li>The types of visitors that are priorities for your community for the next year, stating primary and secondary target markets. Include geographic target markets, demographic, and activity-based target groups.</li> <li>The desired length of stay that your community is seeking from the target markets, from day visits or overnight getaways to longer vacations.</li> </ul>



## Section 2: One-Year Tactical Plan with Performance Measures

Please provide a **Project Plan** for each major activity you will undertake in the year ahead using MRDT funds. Authorized purposes of MRDT funds are tourism marketing, programs and projects and any other prescribed purposes as set out by regulation.

**Project plans should include the following information for each activity. The recipient can organize the plan in a manner that best reflects their individual approach. Please note that Destination BC may share relevant tactical information with applicable Destination BC program areas to facilitate increased collaboration and alignment.**

1. The **major category** of the activity. Examples could include marketing, destination and product experience management, visitor services, etc.

Marketing, which may include:

- Media Advertising and Production (for example: print, radio, television, out-of-home, paper direct mail, email marketing, search engine marketing, paid social media, display, and native advertising)
- Website - Hosting, Development, Maintenance
- Social Media Management Platforms and Tools (i.e. Hootsuite)
- Consumer Shows and Events
- Collateral production and distribution
- Travel Media Relations (for example: story idea creation, media and influencer FAM hosting/support, attendance at media marketplaces, etc.)
- Travel Trade (for example: trade FAM hosting/support, etc.)
- Consumer-focused asset development (for example: curation or production of written content, photography, videography, etc.)
- Other.

Destination and Product Experience Management, which may include:

- Industry Development and Training - Enhancing Education and Knowledge (for example: market readiness, digital readiness, industry conferences, packaging and other tourism-related Industry Workshops)
- Product Experience Enhancement and Training (for example: Itinerary Development, Content Development and Key Experience Creation)
- Research, Evaluation, and Analytics
- Other.

Visitor Services, which may include:

- Visitor Services Activities (for example: staff wage and benefits, visitor services via social media, digital tools, including mobile apps, kiosks, beacons, etc., , roving/mobile visitor services, ambassador programs, , FAMs)
- Other.

Meetings, Conventions, Events and Sport:

- Examples could include conferences, events, sales, sport, ~~grant~~ programs, etc.

Affordable Housing, which may include:

- Details on affordable housing projects (project description and rationale, authorizing documents, budget and applicable funding partners).
- Please complete and attach Appendix 1.8.

Other:

- Other activities not covered by the above categories, such as capital expenditures if **pre-approved by government** (prior to application), etc.

2. Please list and describe **the tactics** your community will use to achieve the strategies outlined in Section 1 of your Five-Year Strategic Business Plan. There may be several tactics for each activity.
3. Please provide an **implementation plan** that includes a short description, quantifiable objectives, rationale, action steps, potential partnerships, resources, sources of funding, responsibilities, timeframe, budget, and evaluation mechanism.

## Project Plan Template

A description/instructions pertaining to each section is provided in grey text as a guide only. **The format of your Project Plan may be developed specific to your community needs and resources. If using this template, please delete the grey text and provide your response accordingly.**

<b>Major Category:</b> <i>(e.g., Marketing - Travel Trade; Visitor Services – Mobile Apps; Conferences)</i>
<b>Activity Title:</b> <i>Please provide the title of activity.</i>
<b>Tactics:</b> <i>Please list and describe the tactics to be used to achieve the strategies outlined in Section 1 of the Strategic Business Plan. There may be several tactics for each activity.</i>
<b>Implementation Plan:</b> <i>For each activity, an implementation plan should include the following information:</i> <b>Short Description:</b>  <b>Quantifiable Objectives:</b>  <b>Rationale:</b>  <b>Action Steps:</b>  <b>Potential Partnerships:</b>  <b>Resources:</b>  <b>Sources of Funding:</b>  <b>Timeframe:</b> <i>(when will the tactic begin and end or is it ongoing?)</i>  <b>Budget:</b>

**Performance Measures:**

- Please review the tactics listed above and identify expected outcomes and outputs for each.
- Report out annually on the performance measures (refer to Appendix 2.2).
- The performance measures must align with the four MRDT Program Principles:
  - Effective tourism marketing, programs and projects
  - Effective local-level stakeholder support, and inter-community collaboration
  - Marketing efforts that are coordinated and complementary to provincial marketing strategies and tactics
  - Fiscal prudence and accountability.
- Consider the following definitions when preparing the output and outcome measures:
  - Outputs - measure the level of service provided by a project or provides information about what was done. They define "what you did", e.g., hosted four media familiarization trips.
  - Outcomes - measures on the achievement of broader goals such as increasing average visitor yield or enhancing the customer experience.

## • Examples only:

Output Measures:

- Types of marketing activities
- Number of event campaigns and results
- Description of social media activities and outcomes
- Number of media placements
- Number of conventions and meeting sales
- Webpage visits
- Visitor inquiries/calls

Outcome Measures:

- Visitor volume
- Visitor nights & visitor spending
- Visitor revenues
- Average length of stay
- Accommodation revenues
- Number of new tourism businesses

### Section 3: MRDT Budget for One-Year Tactical Plan

Designated recipients must complete the budget table as provided below.

Revenues		Budget \$
Carry-forward from previous calendar year		
MRDT		
MRDT from online accommodation platforms		
<b>MRDT Subtotal</b>		
Local government contribution		
Stakeholder contributions (i.e. membership dues)		
Co-op funds received (e.g. DBC Coop; DMO-led projects)		
Grants – Federal		
Grants – Provincial		
Grants/Fee for Service - Municipal		
Retail Sales		
Interest		
Other		
<b>Total Revenues</b>		

Expenses		Budget \$
<b>Marketing</b>		
Marketing staff – wage and benefits		
Media advertising and production		
Website - hosting, development, maintenance		
Social media		
Consumer Shows, events		
Collateral production, and distribution		
Travel media relations		
Travel trade		
Consumer-focused asset development (imagery, video, written content)		
Other (please describe)		
<b>Subtotal</b>		
<b>Destination &amp; Product Experience Management</b>		
Destination & Product Experience Management Staff – wage and benefits		
Industry development and training		
Product experience enhancement and training		
Research, evaluation and analytics		
Other (please describe)		
<b>Subtotal</b>		
<b>Visitor Services</b>		
Visitor Services activities		
Other (please describe)		
<b>Subtotal</b>		
<b>Meetings Conventions, Events &amp; Sport</b>		
Meetings, conventions, conferences, events, sport, grant programs, etc.		
<b>Subtotal</b>		
<b>Administration</b>		
Management and staff unrelated to program implementation – wages and benefits		
Finance staff – wages and benefits		
Human Resources staff – wages and benefits		
Board of Directors costs		

Information technology costs – workstation-related costs (i.e. computers, telephone, support, networks)	
Office lease/rent	
<b>Expenses</b>	<b>Budget \$</b>
General office expenses	
<i>Subtotal</i>	
<b>Affordable Housing</b>	
General MRDT revenues	
Revenues from online accommodation platforms	
<i>Subtotal</i>	
<b>Other</b>	
All other wages and benefits not included above	
Other activities not included above (please describe)	
<i>Subtotal</i>	
<b>Total Expenses:</b>	
<b>Balance or Carry Forward</b>	

**Projected Spend by Market (broad estimate)**

Add more rows as needed.

Geographic Market	Total Marketing Budget by Market	% of Total \$ by Market
BC		
Alberta		
Ontario		
Other Canada (please specify)		
Washington State		
California		
Other USA (please specify)		
Mexico		
China		
UK		
Germany		
Australia		
Japan		
Other International (Please specify)		
<b>Total</b>		



The following table must be completed if the designated recipient wishes to use MRDT revenues on affordable housing initiatives, regardless of whether revenues are solely from online accommodation platforms or from general MRDT revenues. If you have submitted a previous report through your annual reporting requirements, only provide details on changes in the categories below. This report must be submitted by May 31 of every year.

Project Name and Address
Project Rationale and Details
<ul style="list-style-type: none"> <li>Have there been any changes to the project?</li> <li>What progress/milestones have been made on the measurements of success outlined in your Affordable Housing MRDT Plan?</li> </ul>
MRDT Contribution
<ul style="list-style-type: none"> <li>Has your MRDT contribution changed since your last report?</li> </ul>
Housing Provider/Project Owners/Project Lead
Funding Partner(s)

<b>Contribution from Funding Partner(s)</b>
<b>Estimated Completion Date</b>
<ul style="list-style-type: none"><li>Has the estimated completion date changed? If so, provide some reasons.</li></ul>
<b>Number of Housing Units Completed</b>
<ul style="list-style-type: none"><li>The number of housing units (such as rooms available for individual dwelling) acquired, completed, maintained, or renovated.</li></ul>