



## Notice of Meeting and Meeting Agenda Capital Regional District Board

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Wednesday, March 8, 2023

1:10 PM

6th Floor Boardroom  
625 Fisgard Street  
Victoria, BC

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The Capital Regional District strives to be a place where inclusion is paramount and all people are treated with dignity. We pledge to make our meetings a place where all feel welcome and respected.

### 1. TERRITORIAL ACKNOWLEDGEMENT

### 2. APPROVAL OF THE AGENDA

### 3. ADOPTION OF MINUTES

#### 3.1. [23-186](#) Minutes of the February 8, 2023 Capital Regional District Board Meeting

**Recommendation:** That the minutes of the Capital Regional District Board meeting of February 8, 2023 be adopted as circulated.

**Attachments:** [Minutes - February 8, 2023](#)

#### 3.2. [23-211](#) Minutes of Previous Committee and Commission Meetings

**Recommendation:**

1. That the minutes of the of the Committee of the Whole meeting of January 25, 2023 be adopted as circulated.
2. That the minutes of the of the Committee of the Whole meeting of February 8, 2023 be adopted as circulated.

**Attachments:** [Minutes - January 25, 2023](#)

[Minutes - February 8, 2023](#)

### 4. REPORT OF THE CHAIR

### 5. PRESENTATIONS/DELEGATIONS

#### 5.1. Presentations

##### 5.1.1. [23-184](#) Presentation: Paul Gerrard (CRD Representative) and Geoff Dickson (President/CEO), Victoria Airport Authority; Re: Report to Nominators

**Attachments:** [Presentation: VAA Report to Nominators](#)

#### 5.2. Delegations

- 5.2.1. [23-217](#) Delegation - Gerard LeBlanc; Representing Sooke Region Food CHI Society: Re: Agenda Item 8.5.: Subdivision Application within the Agricultural Land Reserve for Lot B, Section 110, Sooke District, Plan 32912; PID: 000-210-897 - 6040 East Sooke Road
- 5.2.2. [23-218](#) Delegation - Nancy Jane Hewitt; Resident of Juan de Fuca Electoral Area: Re: Agenda Item 8.5. Subdivision Application within the Agricultural Land Reserve for Lot B, Section 110, Sooke District, Plan 32912; PID: 000-210-897 - 6040 East Sooke Road
- 5.2.3. [23-219](#) Delegation - Shandelle Conrad; Resident of Sooke: Re: Agenda Item 8.5. Subdivision Application within the Agricultural Land Reserve for Lot B, Section 110, Sooke District, Plan 32912; PID: 000-210-897 - 6040 East Sooke Road
- 5.2.4. [23-221](#) Delegation - Steve Pridgeon; Resident of Juan de Fuca Electoral Area: Re: Agenda Item 8.5. Subdivision Application within the Agricultural Land Reserve for Lot B, Section 110, Sooke District, Plan 32912; PID: 000-210-897 - 6040 East Sooke Road

## 6. CONSENT AGENDA

- 6.1. [23-165](#) Electoral Areas Strategic Planning

**Recommendation:** There is no recommendation. This report is for information only.

**Attachments:** [Staff Report: Electoral Areas Strategic Planning](#)  
[Appendix A: Alignment of EAs priorities to 2023-26 Board Priorities](#)

- 6.2. [23-195](#) 2023 Salt Spring Island Local Community Commission Election - Appointment of Chief Election Officer and the Deputy Chief Election Officers

**Recommendation:** The Electoral Areas Committee recommends to the Capital Regional District Board:

1. That pursuant to Section 58 of the Local Government Act, the Board appoint Kristen M. Morley as Chief Election Officer with the power to appoint such other assistance as may be required for the administration and conduct of the Salt Spring Island Local Community Commission Election on May 27, 2023; and
2. That the Board appoint Marlene Lagoa, Karla Campbell, and Anthony Kennedy, as Deputy Chief Election Officers.

(NWA)

**Attachments:** [Staff Report: 2023 SSI LCC Election – Appt. of CEO and DCEO](#)

- 6.3. [23-103](#) 2022 Solid Waste Stream Composition Study Results

**Recommendation:** There is no recommendation. This report is for information only.

**Attachments:** [Staff Report: 2022 Solid Waste Stream Composition Study Results](#)  
[Appendix A: CRD 2022 Solid Waste Stream Composition Study - Tetra Tech](#)

6.4. [23-130](#) Recycle BC - Packaging and Printed Paper Product, Extended Producer Responsibility - Draft Program Plan

**Recommendation:** [At the February 15, 2023 Environmental Services Committee meeting, the report was presented for information and the following motion arising was carried:]

The Environmental Services Committee recommends to the Capital Regional District Board:

That the CRD, upon receipt of Recycle BC's final report, urge the Ministry of Environment to enhance Recycle BC recovery targets and funding supports and other policy measures in rural areas and as applied to the multifamily sector in all areas. (NWA)

**Attachments:** [Staff Report: Recycle BC - Packaging & Paper, EPR - Draft Program Plan](#)  
[Appendix A: Cont'd Participation in EA Depot Recycling - SR - Feb 7/18](#)  
[Appendix B: Depot Impacts Analysis](#)  
[Appendix C: Consultation Feedback Ltr to Recycle BC from CRD \(Jan 3/23\)](#)

6.5. [23-154](#) Motion with Notice: Healthy Waters Project for Tod Creek on the Saanich Peninsula (Director Caradonna)

**Recommendation:** The Environmental Services Committee recommends to the Capital Regional District Board:

That the Healthy Waters project proposal for Tod Creek watershed be referred to staff to report back, by end of March or within the span of two committee meetings, on project implications including resources, service mandate, and regulatory framework. (NWA)

**Attachments:** [Motion with Notice: Healthy Waters Project for Tod Creek](#)

6.6. [23-077](#) Capital Regional District External Grants Update

**Recommendation:** There is no recommendation. This report is for information only.

**Attachments:** [Staff Report: CRD External Grants Update March](#)  
[Appendix A: 2023 External Grants Dashboard](#)  
[Appendix B: 2023 Grant Alerts](#)

6.7. [23-078](#) Capital Regional District Investment Portfolio Holdings and Annual Performance Update

**Recommendation:** There is no recommendation. This report is for information only.

**Attachments:** [Staff Report: CRD Investment Portfolio Update 2023](#)  
[Appendix A: Investment Policy](#)  
[Appendix B: Market Analysis](#)  
[Appendix C: Investment Holdings](#)  
[Appendix D: MFA Pooled Investment Fund Report](#)  
[Appendix E: Long-Term Monitoring](#)  
[Appendix F: MFA ESG Framework](#)

**6.8.**      [23-170](#)      First Nations Relations Operational Update

**Recommendation:** There is no recommendation. This report is for information only.

**Attachments:**      [Staff Report: First Nations Relations Operational Update](#)  
[Appendix A: Working with Indigenous Elders](#)

**6.9.**      [23-177](#)      Lease for 7612 East Saanich Road - (Prosser Place Housing Development)

**Recommendation:** The Hospitals and Housing Committee recommends to the Capital Regional District Board:

1. That the Chair of the Capital Regional District Board be authorized to execute the 60-year lease of the 7612 East Saanich Road Property (PID 031-883-486) to the Capital Region Housing Corporation.
2. That the Chief Administrative Officer be authorized to execute any agreements or documents and do all things necessary to finalize the acquisition and subsequent lease. (WA)

**Attachments:**      [Staff Report: Lease for 7612 East Saanich Rd](#)  
[Appendix A: Draft 60-year Lease of 7612 East Saanich Rd](#)

**6.10.**      [23-134](#)      Regional Growth Strategy Indicators Report

**Recommendation:** [At the February 15, 2023 Planning and Protective Services Committee meeting, the report was presented for information and the following motion arising was carried:]

The Planning and Protective Services Committee recommends to the Capital Regional District Board:  
That the Regional Growth Strategy Indicators Report be sent annually to the Mayors and Council in the capital region.  
(NWA)

**Attachments:**      [Staff Report: Regional Growth Strategy Indicators Report](#)  
[Appendix A: 2022 RGS Indicators Report](#)

**6.11.**      [23-137](#)      Central Saanich Regional Context Statement

**Recommendation:** The Planning and Protective Services Committee recommends to the Capital Regional District Board:  
That the District of Central Saanich regional context statement be considered in relation to the 2018 Regional Growth Strategy (Bylaw No. 4017) and be accepted in accordance with the requirements of section 448 of the Local Government Act.  
(NWP - All except SGI & SSI)

**Attachments:**      [Staff Report: Central Saanich Regional Context Statement](#)  
[Appendix A: Central Saanich Reg'l Context Statement Referral](#)  
[Appendix B: Regional Context Statement Evaluation](#)



**6.12.**     [23-141](#)     Island View Beach Regional Park - Ditch Maintenance

**Recommendation:** [At the February 22, 2023 Regional Park Committee meeting, the report was presented for information and the following motions arising were carried:]

That the Regional Parks Committee recommends to the Capital Regional District Board:

1. That a comparison of ditch depths differences between the baseline data in 2012 and 2022 work be brought forward as soon as possible through the Regional Parks Committee.
2. To authorize, if possible, to capture aerial drone footage of the ditch system to capture the foliage patterns.
3. That the CRD convene a meeting with participants (including the TSAWOUT, Central Saanich and FOIVB "Friends of Island View Beach") to present and discuss the mosquito abatement program at Island View Beach Regional Park and report back to the April Regional Parks Committee.
4. That Central Saanich staff be invited by CRD staff to all meetings pertaining to the update work being done by Great Pacific and Aqua-Tex.  
(NWA)

**Attachments:**     [Staff Report: Island View Beach Regional Park - Ditch Maintenance](#)  
[Appendix A: IVBRP - Ditch Maintenance Staff Report to CRD Brd - Aug 2022](#)  
[Appendix B: Ditch Maintenance 2022 - Island View Beach Regional Park](#)  
[Appendix C: Aqua-Tex Ditch Maintenance Assessment](#)

**6.13.**     [23-106](#)     2023-2027 Regional Water Supply Service Capital Plan Update

**Recommendation:** The Regional Water Supply Commission recommends to the Capital Regional District Board:

That the 2023 Regional Water Supply Service Capital Budget and Five Year Capital Plan be updated to include \$365,000 for Project 20-27 GVWSA Forest Resilience, for ecological restoration thinning trials development and implementation costs and \$365,000 in revenue from the project.  
(WP - All except SGI & SSI)

**Attachments:**     [Staff Report: 2023-2027 Regional Water Supply Service Capital Plan Update](#)  
[Appendix A: Updated 2023-2027 RWS Service Capital Plan](#)

**6.14.**     [23-182](#)     Capital Project Update - Arena Chiller - SEAPARC

**Recommendation:** The Sooke & Electoral Area Parks and Recreation Commission recommends to the Capital Regional District Board:

That the 2023 capital budget be amended to include \$365,000 for replacement of the arena chiller.  
(WP - JDF & Sooke)

**Attachments:**     [Staff Report: Capital Project Update - Arena Chiller - SEAPARC](#)

- 6.15.     [23-196](#)     2023-2026 Board Priorities
- Recommendation:** That the 2023-2026 Board Priorities be approved.  
(NWA)
- Attachments:**     [Staff Report: 2022-2026 Board Priorities](#)  
                          [Appendix A: 2023-2026 Board Priorities](#)  
                          [Appendix B: Brd-Dir'd Initiatives to be Included in CRD Corp Plan](#)
- 6.16.     [23-191](#)     2023 Committee and External Membership Appointments - Update #3
- Recommendation:** That the Board endorse the external appointments and nominations put forward in the attachment.  
(NWA)
- Attachments:**     [2023 Committee and External Membership Appointments](#)
- 6.17.     [23-220](#)     UBCM Community Emergency Preparedness Fund: Emergency Support Services Grant 2023
- Recommendation:** The Electoral Areas Committee recommends to the Capital Regional District Board: That the Capital Regional District Board support an application to the Union of British Columbia Municipalities Community Emergency Preparedness for the Emergency Support Services Grant 2023 and direct staff to provide overall grant management.  
(NWA)
- Attachments:**     [Staff Report: UBCM Emergency Support Services Grant 2023](#)  
                          [Appendix A: UBCM ESS 2023 Application Form](#)

## 7. ADMINISTRATION REPORTS

- 7.1.     [23-093](#)     2023 Provincial Budget Highlights
- Recommendation:** There is no recommendation. This report is for information only.
- Attachments:**     [Staff Report: 2023 Provincial Budget Highlights](#)  
                          [Appendix A: 2023 Provincial Budget Highlights](#)
- 7.2.     [23-192](#)     Biosolids Update - March 2023
- Recommendation:** There is no recommendation. This report is for information only.
- Attachments:**     [Staff Report: Biosolids Update - March 2023](#)

## 8. REPORTS OF COMMITTEES

### Environmental Services Committee

**8.1.**      [23-138](#)      Bylaw No. 2922 - Sewer Use Bylaw Amendments

- Recommendation:** The Environmental Services Committee recommends to the Capital Regional District Board:
1. That Bylaw No. 4530, "Capital Regional District Sewer Use Bylaw No. 5, 2001, Amendment Bylaw No. 7, 2023", be introduced and read a first, second, and third time; and  
(WP - All)
  2. That Bylaw No. 4530 be adopted.  
(WP - All, 2/3 on adoption)
  3. That Bylaw No. 4531, "Capital Regional District Ticket Information Authorization Bylaw 1990, Amendment Bylaw No. 75, 2023", be introduced and read a first, second, and third time; and  
(WP - All)
  4. That Bylaw No. 4531 be adopted.  
(WP - All, 2/3 on adoption)

- Attachments:**      [Staff Report: Bylaw No. 2922 - Sewer Use Bylaw Amendments](#)  
[Appendix A: Bylaw No. 2922 - Unofficial Consolidated Bylaw with Amendments](#)  
[Appendix B: Bylaw No. 4530](#)  
[Appendix C: Bylaw No. 4531](#)

**Finance Committee****8.2.**      [23-092](#)      Bylaw No. 4533 Temporary Borrowing (Solid Waste Facilities and Site Improvements) Bylaw No. 1, 2023

- Recommendation:** The Finance Committee recommends to the Capital Regional District Board:
1. That Bylaw No. 4533, "Temporary Borrowing (Solid Waste Facilities and Site Improvements) Bylaw No. 1, 2023", be introduced and read a first, second and third time; and  
(WA)
  2. That Bylaw No. 4533 be adopted.  
(WA, 2/3 on adoption)

- Attachments:**      [Staff Report: Bylaw No. 4533 Temp Borrowing \(Solid Waste\)](#)  
[Appendix A: Bylaw No. 4533 Temp Borrowing \(Solid Waste\)](#)

**Hospitals and Housing Committee**

**8.3.**      [23-164](#)      2859 Richmond Housing Agreement and Bylaw

**Recommendation:** The Hospitals and Housing Committee recommends to the Capital Regional District Board:

1. That Bylaw No. 4539, "Resale Control and Housing Agreement Bylaw (2859 Richmond Road), 2023" be introduced and read for a first, second and third time; and (WA)
2. That Bylaw No. 4539 be adopted.  
(WA, 2/3 on adoption)

**Attachments:**      [Staff Report: 2859 Richmond Housing Agreement and Bylaw](#)  
[Appendix A: Bylaw No. 4539](#)  
[Appendix B: Right of First Refusal & Option to Purchase](#)

**8.4.**      [23-082](#)      Capital Regional District Land Banking and Housing Land Acquisition Financing

**Recommendation:** [At the March 1, 2023 Hospitals and Housing Committee meeting, the report was presented for information and the following motion arising was carried:]

The Hospitals and Housing Committee recommends to the Capital Regional District Board:  
That the CRD Board direct staff to requisition an additional \$ 3.6 million under the current Land Banking and Housing (LBH) Service (Service No. 1.310) to ensure there is capital available for leveraging land banking and housing opportunities in 2023.  
(WP - All)

**Attachments:**      [Staff Report: LBH Land Acquisition Financing](#)

**Juan de Fuca Land Use Committee****8.5.**      [23-178](#)      Subdivision Application within the Agricultural Land Reserve for Lot B, Section 110, Sooke District, Plan 32912; PID: 000-210-897 - 6040 East Sooke Road

**Recommendation:** [At its February 21, 2023, meeting the Juan de Fuca Land Use Committee passed Alternative #2 (application be denied):]  
The Juan de Fuca Land Use Committee recommends to the Capital Regional District Board:  
That Agricultural Land Reserve application AG000082 for Lot B, Section 110, Sooke District, Plan 32912, be denied.  
(NWP - Voting Block A: JDF EA, Colwood, Langford (Goodmanson), Metchosin, Sooke)

**Attachments:**      [Staff Report: Agricultural Land Reserve Application AG000082](#)  
[Appendix A: Subject Property and Zoning Map](#)  
[Appendix B: Plan of Subdivision](#)  
[Appendix C: Juan de Fuca Agricultural Land Reserve Application Policy](#)  
[Appendix D Agricultural Zone - AG](#)

- 8.6. [23-129](#) Zoning Bylaw Amendment Application for Strata Lots 1, 2, 3, & 4, Section 85, Sooke District, Strata Plan EPS1027 Together with an interest in the Common Property in proportion to the Unit Entitlement of the Strata Lot as shown on Form V - 476, 478, 480 & 482 Becher Bay Road

**Recommendation:** The Juan de Fuca Land Use Committee recommends to the Capital Regional District Board:

1. That the referral of proposed Bylaw No. 4505, "Juan de Fuca Land Use Bylaw, 1992, Amendment Bylaw No. 157, 2022", to the East Sooke Advisory Planning Commission; CRD departments; BC Hydro; District of Sooke; Island Health; Ministry of Forests - Archaeology Branch; Ministry of Forests - Water Protection Section; Ministry of Land, Water and Recourse Stewardship; Ministry of Transportation & Infrastructure; RCMP; Sc'ianew First Nation; Sooke School District #62; and T'Sou-ke First Nation be approved and the comments received;
2. That proposed Bylaw No. 4505 be introduced and read a first time and read a second time;
3. That in accordance with the provisions of section 469 of the Local Government Act, the Director for the Juan de Fuca Electoral Area, or Alternate Director, be delegated authority to hold a Public Hearing with respect to Bylaw No. 4505; and
4. That adoption of proposed Bylaw No. 4505 be withheld pending receipt by the CRD of a Preliminary Layout Review from the Ministry of Transportation and Infrastructure for subdivision application SU000753.  
(NWP - Voting Block A: JDF EA, Colwood, Langford (Goodmanson), Metchosin, Sooke)

**Attachments:** [Staff Report: Zoning Amendment Application RZ000279](#)  
[Appendix A: Subject Property and Zoning Map](#)  
[Appendix B: Current Rural Zone – A](#)  
[Appendix C: Proposed Rural Residential 6A Zone - RR-6A](#)  
[Appendix D: Lot Plan](#)  
[Appendix E: Proposed Bylaw No. 4505](#)  
[Appendix F: Referral Comments](#)

## 9. BYLAWS

## 10. NOTICE(S) OF MOTION

## 11. NEW BUSINESS

## 12. MOTION TO CLOSE THE MEETING

12.1. [23-194](#) Motion to Close the Meeting

- Recommendation:**
1. That the meeting be closed for Appointments in accordance with Section 90(1)(a) of the Community Charter. [3 items]
  2. That the meeting be closed for Labour Relations under Section (90)(1)(c) of the Community Charter. [1 item]
  3. That the meeting be closed for Intergovernmental Negotiations in accordance with Section 90(2)(b) of the Community Charter. [1 item]

**13. ADJOURNMENT**

**Voting Key:**

**NWA - Non-weighted vote of all Directors**

**NWP - Non-weighted vote of participants (as listed)**

**WA - Weighted vote of all Directors**

**WP - Weighted vote of participants (as listed)**

## Meeting Minutes

### Capital Regional District Board

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Wednesday, February 8, 2023

1:05 PM

6th Floor Boardroom  
625 Fisgard Street  
Victoria, BC

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#### PRESENT

DIRECTORS: C. Plant (Chair), M. Tait (Vice Chair), M. Alto, P. Brent, S. Brice, J. Brownoff (1:14 pm), J. Caradonna, C. Coleman, Z. de Vries, B. Desjardins, S. Goodmanson, G. Holman, P. Jones, D. Kobayashi, M. Little, C. McNeil-Smith, K. Murdoch, D. Murdock (1:26 pm), L. Szpak, D. Thompson, S. Tobias, A. Wickheim, K. Williams, R. Windsor (EP)

STAFF: T. Robbins, Chief Administrative Officer; N. Chan, Chief Financial Officer; G. Harris, Acting General Manager, Parks and Environmental Services; K. Lorette, General Manager, Planning and Protective Services; K. Morley, General Manager, Corporate Services; I. Jesney, Acting General Manager, Integrated Water Services; M. Barnes, Senior Manager, Health and Capital Planning Strategies; D. Elliot, Senior Manager, Regional Housing; J. Leahy, Senior Manager, Regional Parks; E. Sinclair, Senior Manager, Regional and Strategic Planning; M. Lagoa, Deputy Corporate Officer; S. Orr, Senior Committee Clerk (Recorder)

EP - Electronic Participation

The meeting was called to order at 1:04 pm.

#### 1. TERRITORIAL ACKNOWLEDGEMENT

A Territorial Acknowledgement was provided in a preceding meeting.

#### 2. APPROVAL OF THE AGENDA

**MOVED** by Director Thompson, **SECONDED** by Director Brent,  
That the agenda for the February 8, 2023 Session of the Capital Regional District Board be approved with the following amendments:  
- amendment of recommendation for Item 6.1. Enforcement Practices for Alternative Forms of Housing  
- addition of Item 6.14. Rise and Report from Committee of the Whole  
- addition of Item 8.3.b. Notice of Motion (same day) Juan de Fuca Connectivity Letter of Support  
**CARRIED**

#### 3. ADOPTION OF MINUTES

3.1. [23-114](#) Minutes of the January 11, 2023 Capital Regional District Board Meeting

**MOVED** by Director Tait, **SECONDED** by Director Goodmanson,  
That the minutes of the Capital Regional District Board meeting of January 11,  
2023 be adopted as circulated.  
**CARRIED**

#### 4. REPORT OF THE CHAIR

The Chair welcomed staff, directors and the public and thanked everyone for attending today's meeting. He congratulated the Board on unanimously agreeing on the strategic priorities, and said that it is a wonderful sign that the CRD Board is working together effectively. He looks forward to seeing how the strategic priorities manifests within the CRD's corporate plan that staff will be bringing to the Board at a future date. He thanked staff for their work.

#### 5. PRESENTATIONS/DELEGATIONS

##### 5.1. Presentations

5.1.1. [23-136](#) Presentation: Larry Stevenson (Chief Executive Officer), Island Corridor Foundation; Re: Rail on Vancouver Island Update

L. Stevenson provided a presentation regarding an update on the Island Corridor Foundation.

Discussion ensued regarding:

- services included in the business plan
- provincial funding
- land use development benefit
- implications of decommissioning the railway
- regional district support across the island

##### 5.2. Delegations

5.2.1. [23-142](#) Delegation - Eric Hughes; Resident of Sooke: Re: Agenda Item 8.1. Radiocommunication and Broadcasting Antenna Systems Application for Lot 2, District Lots 143 and 200, and Section 154, Sooke District, Plan 42290 - 6246 Gordon Road

E. Hughes spoke to Item 8.1.

5.2.2. [23-144](#) Delegation - Linda Gordon; Resident of Sooke: Re: Agenda Item 8.1. Radiocommunication and Broadcasting Antenna Systems Application for Lot 2, District Lots 143 and 200, and Section 154, Sooke District, Plan 42290 - 6246 Gordon Road

L. Gordon spoke to Item 8.1.



- 5.2.3. [23-145](#) Delegation - Travis Moreau; Resident of Sooke: Re: Agenda Item 8.1. Radiocommunication and Broadcasting Antenna Systems Application for Lot 2, District Lots 143 and 200, and Section 154, Sooke District, Plan 42290 - 6246 Gordon Road  
T. Moreau spoke to Item 8.1.
- 5.2.4. [23-146](#) Delegation - Philippe Lucas; Representing Biosolid Free BC: Re: Agenda Item 8.5. Biosolids Short-term Contingency Beneficial Use Plan  
P. Lucas spoke to Item 8.5.
- 5.2.5. [23-147](#) Delegation - Liv Desaulniers; Representing 1291956 BC ULC: Re: Agenda Item 8.1. Radiocommunication and Broadcasting Antenna Systems Application for Lot 2, District Lots 143 and 200, and Section 154, Sooke District, Plan 42290 - 6246 Gordon Road  
L. Desaulniers spoke to Item 8.1.
- 5.2.6. [23-150](#) Delegation - Jordan Reichert; Representing Animal Alliance of Canada: Re: Agenda Item 7.1. AAP Results & Adoption for Bylaw 4522 - Regional Goose Management Service  
J. Reichert spoke to Item 7.1.
- 5.2.7. [23-151](#) Delegation - Jonathan O'Riordan; Peninsula Biosolids Coalition: Re: Agenda Item 8.5. Biosolids Short-term Contingency Beneficial Use Plan  
J. O'Riordan spoke to Item 8.5.

## 6. CONSENT AGENDA

Item 6.7. was removed from the consent agenda and moved to be considered under Reports of Committees as item 8.6.

**MOVED by Director Thompson, SECONDED by Director Alto,  
That the consent agenda Items 6.1. through 6.6. and Items 6.8. through 6.14. be approved.  
CARRIED**

- 6.1. [23-087](#) Enforcement Practices for Alternative Forms of Housing  
**That the Enforcement Practices for Alternative Forms of Housing report be referred back to staff for further review based on Electoral Areas Committee direction.  
CARRIED**
- 6.2. [23-128](#) Ability to Regulate Wood Burning Appliances and Air Quality on Salt Spring Island  
**This report was received for information.**

**6.3. [23-132](#) Request for Governance Study of Magic Lake Estates, North Pender Island**

**That the Capital Regional District Board reiterate its support for the resolution passed on February 9, 2022, to advance the request of the Magic Lake Property Owners' Society to the Ministry of Municipal Affairs to evaluate the local context of the Magic Lake Estates neighborhood on North Pender Island and request the Ministry consider funding a Governance and Services Study to examine governance concerns within the community and provide options and alternatives to address those concerns.**

**CARRIED**

**6.4. [23-009](#) Evaluation of Passing Lane on Willis Point Road**

**This report was received for information.**

**6.5. [23-094](#) 2023 Appointments Advisory Committee**

**That the membership of the Appointments Advisory Committee for 2023 include Governance Committee Chair Little and the following two committee members: Director Goodmanson, and Director Brice.**

**CARRIED**

**6.6. [23-100](#) Consideration of a Board Code of Conduct**

**1. That the CRD Board endorse development of a code of conduct to establish shared expectations of responsible conduct and behavior of CRD Directors; and,  
2. That staff be directed to report back to Governance Committee with resources and examples to facilitate development of the code of conduct.**

**CARRIED**

- 6.8. [23-020](#) Provision of Park Land for Subdivision Application SU000748 in Port Renfrew, BC, for The Easterly ½ of the North West ¼ of Section 36 Township 13 Renfrew District Except that part shown coloured red on Plan 346-R and except those parts in Plans 22475, 24267, 24755, 26515, 41154, 50819, VIP59967 and EPP116278; AND The West ½ of the North West ¼ of Section 36 Township 13 Renfrew District except those parts in Plans 5109, 24267, and 24755

**That in accordance with Section 510 of the Local Government Act, park dedication in the amount of 5% that encompasses the area required for trail be required for proposed subdivision of The Easterly ½ of the North West ¼ of Section 36 Township 13 Renfrew District except that Part shown coloured Red on Plan 346R and Except those Parts in Plans 22475, 24267, 24755, 26515, 41154, 50819, VIP59967 and EPP116278; PID: 000-468-291 and The West ½ of the North West ¼ of Section 36 Township 13 Renfrew District Except Those Parts in Plans 5109, 24267, and 24755; PID: 009-565-787 (SU000748), except that a lesser amount may be acceptable where the owner agrees to register a Statutory Right-of-way located on the common property of the proposed strata to the Capital Regional District connecting Beachview Drive to the established Statutory Right-of-Way shown on plan VIP50141, and that the owner agrees to construct a trail built to JdF Community Parks and Recreation standards prior to subdivision approval; and that the owner is requested to retain native vegetation on the land adjacent to the trail.**

**CARRIED**

- 6.9. [23-021](#) 2023 Transportation Committee Terms of Reference

**That the Transportation Committee terms of reference be amended to replace the words “sustainability measures” with the words “climate action and sustainability goals”.**

**CARRIED**

- 6.10. [23-024](#) Update on Transportation Priorities

**This report was received for information.**

- 6.11. [23-025](#) Regional Cycling Facility Classification

**That the regional cycling facility classification be referred back to staff to have further discussion through the Transportation Working Group.**

**CARRIED**

- 6.12. [23-127](#) Referral to Traffic Safety Commission - Review of E-bikes and Micro Mobility Options

**That the CRD Board ask that the Traffic Safety Commission review e-bikes and micro-mobility as it relates to personal use and safety in the capital district.**

**CARRIED**

6.13. [23-115](#) 2023 Committee and External Membership Appointments - Update #2

That the Board endorse the external appointments and nominations put forward in the attachment.

**CARRIED**

6.14. **23-212** Report from Committee of the Whole - 2023-2026 Board Strategic Priorities

That staff are directed to proceed with development of the 2023-2026 Board Strategic Priorities inclusive of the strategic priorities identified by the Committee of the Whole in the strategic planning workshop and that staff report back to the Board at the March 8th meeting.

**CARRIED**

## 7. ADMINISTRATION REPORTS

7.1. [23-104](#) AAP Results & Adoption for Bylaw 4522 - Regional Goose Management Service Establishment

K. Morley spoke to 7.1.

Discussion ensued regarding:

- feedback opportunities regarding outcomes of the service
- geese population
- alternative approval process
- social media engagement

**MOVED** by Director Tait, **SECONDED** by Director de Vries,

1. That the attached Certificate of Results of Alternative Approval Process for Bylaw No. 4522 (Appendix B) be received.

**CARRIED**

**MOVED** by Director Tait, **SECONDED** by Director Brent,

2. That Bylaw No. 4522, "Canada Goose Management Service Establishment Bylaw No. 1, 2022" be adopted.

**CARRIED**

**Opposed:** Desjardins, Tobias

7.2. [23-105](#) AAP Results & Adoption for Bylaw 4515 - Solid Waste Disposal Loan Authorization

K. Morley spoke to Item 7.2.

Discussion ensued regarding the scope of funding for the loan authorization.

**MOVED by Director Tait, SECONDED by Director Brice,**

**1. That the attached Certificate of Results of Alternative Approval Process for Bylaw No. 4515 (Appendix B) be received.**

**CARRIED**

**MOVED by Director Tait, SECONDED by Director Brice,**

**2. That Bylaw No. 4515, "Solid Waste Disposal Loan Authorization Bylaw No. 1, 2022" be adopted.**

**CARRIED**

7.3. [23-121](#) Capital Regional District Signage Guidelines

T. Robbins spoke to Item 7.3.

Discussion ensued regarding public engagement, consultation and design.

**MOVED by Director Tait, SECONDED by Director Szpak,**

**1. That staff be directed to proceed with implementing the CRD signage guidelines, with the exception of the Regional Parks entry signs (portal signs).**

**2. That staff be directed to bring the matter of Regional Parks entry signs to the Regional Parks Committee for further consideration.**

**CARRIED**

## 8. REPORTS OF COMMITTEES

### Juan de Fuca Land Use Committee

- 8.1. [23-010](#) Radiocommunication and Broadcasting Antenna Systems Application for Lot 2, District Lots 143 and 200, and Section 154, Sooke District, Plan 42290 - 6246 Gordon Road

Director Wickheim spoke to Item 8.1.

Discussion ensued regarding:

- the purpose of the tower and the application of the technology
- jurisdiction of tower
- referral process
- effects of increased marine activity
- co-location with other antennas

**MOVED** by Director Wickheim, **SECONDED** by Director Little,  
That a statement of non-concurrence be provided to 1291956 BC UCL. for the proposed 49 m radio communication and broadcasting antenna system on Lot 2, District Lots 143 and 200, and Section 154, Sooke District, Plan 42290.

**Referral Motion**

**MOVED** by Director Tait, **SECONDED** by Director Kobayashi,  
That the issue be referred back to the Juan de Fuca Land Use Committee to provide more clarity to the committee and area residents on the intention of the application.

**CARRIED**

Opposed: Wickheim

- 8.2. [22-688](#) Zoning Amendment Application for Strata Lot A (3692 Waters Edge Drive) & Strata Lot B (12051 West Coast Road), Section 2, Renfrew District, Strata Plan VIS6939, Together with an interest in the Common Property in proportion to the unit entitlement of the Strata Lot as shown on Form V

**MOVED** by Director Tait, **SECONDED** by Director Wickheim,  
1. That the referral of proposed Bylaw No. 4519, "Juan de Fuca Land Use Bylaw, 1992, Amendment Bylaw No. 159, 2022", to the Shirley-Jordan Advisory Planning Commission, CRD departments, BC Hydro; District of Sooke; the Archaeology Branch and Water Protection Section within the Ministry of Forests; the Ministry of Land, Water, and Resource Stewardship; the Ministry of Transportation & Infrastructure; the Pacheedaht First Nation; RCMP; Sooke School District #62; and the T'Sou-ke First Nation be approved and the comments received.

**CARRIED**

**MOVED** by Director Tait, **SECONDED** by Director Goodmanson,  
2. That proposed Bylaw No. 4519 be introduced and read a first time and read a second time.

**CARRIED**

**MOVED** by Director Tait, **SECONDED** by Director Little,  
3. That in accordance with the provisions of section 469 of the Local Government Act, the Director for the Juan de Fuca Electoral Area, or Alternate Director, be delegated authority to hold a Public Hearing with respect to Bylaw No. 4519.

**CARRIED**

**Electoral Areas Committee**

- 8.3. [23-098](#) Bylaw No. 4535 - "Building Regulation Bylaw No. 5, 2010, Amendment Bylaw No. 4, 2023"

**MOVED** by Director Brent, **SECONDED** by Director Holman,  
1. That Bylaw No. 4535, "Building Regulation Bylaw No. 5, 2010, Amendment Bylaw No. 4, 2023", be introduced and read a first, second, and third time.  
**CARRIED**

**MOVED** by Director Brent, **SECONDED** by Director Holman,  
2. That Bylaw No. 4535 be adopted.  
**CARRIED**

- 8.3.b. 23-172 Notice of Motion (same day): Juan de Fuca Connectivity Letter of Support

**MOVED** by Director Wickheim, **SECONDED** by Director Tobias,  
That same day consideration be applied to the Notice of Motion.  
**CARRIED**

**MOVED** by Director Wickheim, **SECONDED** by Director Tobias,  
That the Board Chair provide a letter of support for funding from the Connecting Communities BC Fund to support increased high-speed broadband connectivity for the Jordan River and Shirley communities.  
**CARRIED**

**Governance Committee**

- 8.4. [23-097](#) Bylaw 4540 - Election and Voting Procedures Bylaw Amendment

**MOVED** by Director Little, **SECONDED** by Director Goodmanson,  
1. That Bylaw 4540, the "Capital Regional District Election and Voting Procedures Bylaw, 2008, Amendment Bylaw No. 4, 2023" be introduced, read a first, second, and third time.  
**CARRIED**

**MOVED** by Director Little, **SECONDED** by Director Goodmanson,  
2. That Bylaw 4540 be adopted.  
**CARRIED**

**Environmental Services Committee**

**8.5.**     [23-052](#)     Biosolids Short-term Contingency Beneficial Use Plan

Chair Desjardins spoke to Item 8.5.

**MOVED by Director Desjardins, SECONDED by Director Tobias,  
Direct staff to look at alternative options and maintain the status quo for now.**

Discussion ensued regarding:

- long term management planning update
- solid waste management plan amendments related to land application
- update on contractor operations
- hauling of biosolids and concerns with carbon footprint and cost
- gasification

**MOVED by Director Caradonna, SECONDED by Director Desjardins,  
That the motion be amended to remove the words "and maintain the status quo for now".**

Discussion ensued regarding:

- non-performance penalties with the contractor
- alternative options that exist to land application

**MOVED by Director Thompson, SECONDED by Director de Vries,  
That the previous question to remove the words "and maintain the status quo for now" be called.**

**CARRIED**

The question was called:

**That the motion be amended to remove the words "and maintain the status quo for now".**

**CARRIED**

**Opposed: Holman, Kobayashi, Little, Tait**

Discussion ensued regarding:

- decisions made at committee
- cost of land filling compared to hauling
- clarification of status quo
- contamination standards and risks
- potential penalties to core area participants
- short term contingency options

**Director Windsor left the meeting at 3:30 pm**

**MOVED by Director McNeil-Smith, SECONDED by Director Holman,  
That the motion be removed from the floor given that it is not giving direction to staff.**

**The Chair ruled the motion out of order.**

**Director McNeil-Smith challenged the Chair.**

**The Chair called for a vote on whether the Chair shall be sustained.**

**DEFEATED**



**Opposed: Brent, Brice, Brownoff, de Vries, Jones, Holman, Kobayashi, Little, McNeil-Smith, Murdock, Szpak, Wickheim**

The motion was considered by the Board to be not in order and removed from the floor.

**MOVED by Director de Vries, SECONDED by Director Szpak,  
1. That the Capital Regional District (CRD) Board amend its policy to allow non-agricultural land application of biosolids as a short-term contingency alternative; and  
2. That staff be directed to update the CRD's short-term biosolids contingency plan correspondingly.**

**MOVED by Director Desjardins, SECONDED by Director Williams,  
That the motion be postponed until the April Board meeting.**

Discussion ensued regarding:

- future information impact on long term solutions
- compliance with provincial regulations
- public consultation
- additional testing on biosolids

**MOVED by Director de Vries, SECONDED by Director Tait,  
That the previous question on postponing the item until the April Board meeting be called.**

**CARRIED**

**Opposed: Alto, Caradonna, Williams**

The question was called:  
**That the motion be postponed until April Board meeting.**

**DEFEATED**

**Opposed: Brent, Brice, Brownoff, Coleman, de Vries, Jones, Holman, Little, McNeil-Smith, Murdoch, Murdock, Plant, Szpak, Tait, Wickheim**

**MOVED by Director de Vries, SECONDED by Director McNeil-Smith,  
That the meeting be extended past the 3 hour scheduled time.**

**CARRIED**

Discussion ensued regarding:

- impacts of land application in other jurisdictions
- correspondence and engagement with Province
- landfill capacity

**MOVED by Director de Vries, SECONDED by Director Holman,  
That the previous question on the main motion be called.**

**DEFEATED**

**Opposed: Alto, Brownoff, Brice, Caradonna, Coleman, Desjardins, Jones, Kobayashi, Little, McNeil-Smith, Murdoch, Murdock, Plant, Thompson, Tobias, Wickheim, Williams**

Discussion ensued regarding:

- consultation with Nanaimo Regional District
- global solutions for bio-solids

The question was called on the main motion:

1. That the Capital Regional District (CRD) Board amend its policy to allow non-agricultural land application of biosolids as a short-term contingency alternative; and
2. That staff be directed to update the CRD's short-term biosolids contingency plan correspondingly.

**CARRIED**

Opposed: Alto, Caradonna, Desjardins, Goodmanson, Kobayashi, Thompson, Tobias

- 8.6. [23-084](#) Provincial Decriminalization of Controlled Substances and the Clean Air Bylaw

Director Murdock left the meeting at 4:50 pm.

Discussion ensued regarding assistance with enforcement from Island Health related to a public health bylaw amendment.

This report was received for information.

## 9. BYLAWS

- 9.1. [23-117](#) Bylaw 4502 - "Emergency Communication Dispatch Service Establishment Bylaw No. 1, 2012, Amendment Bylaw No. 2, 2022"

**MOVED** by Director de Vries, **SECONDED** by Director Tait,  
That Bylaw 4502 - "Emergency Communication Dispatch Service Establishment Bylaw No. 1, 2012, Amendment Bylaw No. 2, 2022" be adopted.  
**CARRIED**

- 9.2. [23-118](#) Bylaw 4506 - "Regional Parks Loan Authorization Bylaw No. 1, 2022"

**MOVED** by Director McNeil-Smith, **SECONDED** by Director Tait,  
That Bylaw 4506 - "Regional Parks Loan Authorization Bylaw No. 1, 2022" be adopted.  
**CARRIED**

- 9.3. [23-119](#) Bylaw 4534 - "Saturna Island Fire Protection and Emergency Response Local Service Contribution Establishment Bylaw No. 1, 1993, Amendment Bylaw No. 3, 2022"

**MOVED** by Director Brent, **SECONDED** by Director Tait,  
That Bylaw 4534 - "Saturna Island Fire Protection and Emergency Response Local Service Contribution Establishment Bylaw No. 1, 1993, Amendment Bylaw No. 3, 2022" be adopted.  
**CARRIED**

## 10. NOTICE(S) OF MOTION

There were no Notice(s) of Motion.

## 11. NEW BUSINESS

### 11.1. [23-174](#) Motion Arising - E&N Rail Corridor

Discussion ensued regarding:

- previous correspondence
- collaboration with Members of Parliament, other regional districts and First Nations on Vancouver Island
- public engagement

**MOVED** by Director Caradonna, **SECONDED** by Director Tobias,  
Direct the Board Chair to work with staff to continue with our regular advocacy with the provincial and federal government, and the Island Corridor Foundation, related to the upcoming E & N rail decision.

**CARRIED**

## 12. MOTION TO CLOSE THE MEETING

### 12.1. [23-122](#) Motion to Close the Meeting

**MOVED** by Director Murdoch, **SECONDED** by Director de Vries,

1. That the meeting be closed for Appointments in accordance with Section 90(1) (a) of the Community Charter.

**CARRIED**

**MOVED** by Director de Vries, **SECONDED** by Director Murdoch,

2. That the meeting be closed for Labour Relations under Section (90)(1)(c) of the Community Charter.

**CARRIED**

**MOVED** by Director de Vries, **SECONDED** by Director Murdoch,

3. That the meeting be closed for Intergovernmental Negotiations in accordance with Section 90(2)(b) of the Community Charter.

**CARRIED**

The Capital Regional District Board moved to the closed session at 5:09 pm.

## 13. RISE AND REPORT

The Capital Regional District Board rose from the closed session at 5:31 pm. and reported on the following:

In accordance with Bylaw No. 3654 that the following be appointed to the East Sooke Fire Protection and Emergency Response Service Commission for a term to expire December 31, 2024: Wendy Herring, Mike Yeager

In accordance with Bylaw No. 3517 that the following be appointed to the Agricultural Advisory Planning Commission for a term to expire December 31, 2024: Margot Swinburnson, Nikki Waggoner, Teresa Willman

**14. ADJOURNMENT**

**MOVED** by Director de Vries, **SECONDED** by Director Caradonna,  
That the February 8, 2023 Capital Regional District Board meeting be adjourned  
at 5:32 pm.

**CARRIED**

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**CHAIR**

**CERTIFIED CORRECT:**

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**CORPORATE OFFICER**

## Meeting Minutes

### Committee of the Whole

---

Wednesday, January 25, 2023

1:00 PM

6th Floor Boardroom  
625 Fisgard Street  
Victoria, BC V8W 1R7

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#### Adjourned Meeting - Continuation of November 30, 2022 Special Meeting

#### PRESENT

DIRECTORS: C. Plant (Chair), M. Tait (Vice Chair), M. Alto (1:55 pm), P. Brent, S. Brice, J. Brownoff, C. Coleman, B. Desjardins (1:06 pm) (EP), Z. de Vries, S. Goodmanson, S. Hammond (for J. Caradonna), C. Harder (for L. Szpak), G. Holman, P. Jones, D. Kobayashi, M. Little, C. McNeil-Smith, K. Murdoch, D. Murdock, J. Rogers (for S. Tobias) (EP), D. Thompson, K. Williams, R. Windsor

STAFF: T. Robbins, Chief Administrative Officer; N. Chan, Chief Financial Officer; L. Hutcheson, General Manager, Parks and Environmental Services; K. Lorette, General Manager, Planning and Protective Services; S. Carey, Acting General Manager, Corporate Services; I. Jesney, Acting General Manager, Integrated Water Services; F. Lopez, Manager, Strategic Planning; E. Sinclair, Senior Manager, Regional and Strategic Planning; M. Lagoa, Deputy Corporate Officer; S. Orr, Senior Committee Clerk (Recorder)

Guests: N. Hill and H. Farson, Spur Communication

Regrets: Director(s) J. Caradonna, L. Szpak, S. Tobias, A. Wickheim

EP - Electronic Participation

The meeting was called to order at 1:02 pm.

#### 1. Territorial Acknowledgement

Director de Vries provided a Territorial Acknowledgement.

#### 2. Approval of Agenda

**MOVED** by Director Tait, **SECONDED** by Director Coleman,  
That the agenda for the January 25, 2023 Session of the Committee of the Whole  
be approved.

**CARRIED**

#### 3. Special Meeting Matters

**3.1. 23-069 Strategic Planning Session 2**

N. Hill, from Spur Communication, presented on the priority categories and initiatives coming out of the first strategic planning session held November 30, 2022.

**MOVED by Director Brent, SECONDED by Director Murdoch,  
That the transportation outcome statement and priorities be approved as discussed.**

**MOVED by Director Holman, SECONDED by Director Thompson,  
That the transportation priorities outcome statement be amended by adding the following words to the end of the outcome statement "and contribute to climate goals".**

**DEFEATED**

The question was called on the main motion:

**That the transportation outcome statement and priorities be approved as discussed.**

**CARRIED**

**MOVED by Director McNeil-Smith, SECONDED by Director Tait,  
That the housing outcome statement and priorities be approved as presented.**

**MOVED by Director de Vries, SECONDED by Alternate Director Harder,  
That the housing outcome statement be amended by adding the words "meets their needs and" before the words "enhances livability".**

**DEFEATED**

The question was called on the main motion:

**That the housing outcome statement and priorities be approved as presented.**

**CARRIED**

**MOVED by Director Brent , SECONDED by Director Tait,  
That the First Nations outcome statement and priorities be approved as presented.**

**CARRIED**

**MOVED by Director Tait, SECONDED by Director McNeil-Smith,  
That the climate action and environment outcome statement and priorities be approved as presented.**

**MOVED by Director de Vries, SECONDED by Director Little,  
That climate action and environment priority 4G be amended by replacing the words "Improve Food Security" with "Protect and enhance local agriculture to support long-term food systems security".**

**CARRIED**

Director Alto left the meeting at 3:50 pm.

The question was called on the main motion as amended:

**That the climate action and environment outcome statement and priorities be approved as amended.**

**CARRIED**

**MOVED** by Director Tait, **SECONDED** by Director de Vries,  
That the governance outcome statement and priorities be approved as presented.

**MOVED** by Director McNeil-Smith, **SECONDED** by Director de Vries,  
That the meeting be extended past the 3 hour scheduled time.  
**CARRIED**

**MOVED** by Director McNeil-Smith, **SECONDED** by Director Brent,  
That the governance priority 5E be amended by removing the words "status quo".  
**CARRIED**

The question was called on the main motion as amended:  
That the governance outcome statement and priorities be approved as amended.  
**CARRIED**

#### **4. Adjournment**

**MOVED** by Director Brent, **SECONDED** by Director Tait,  
That the meeting of the November 30, 2022 Committee of the Whole be adjourned until February 8, 2023 at 11:45 am.  
**CARRIED**

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CHAIR

CERTIFIED CORRECT:

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CORPORATE OFFICER

## Meeting Minutes

### Committee of the Whole

---

Wednesday, February 8, 2023

11:45 AM

6th Floor Boardroom  
625 Fisgard Street  
Victoria, BC V8W 1R7

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#### Adjourned Meeting - Continuation of November 30, 2022 Special Meeting

#### PRESENT

DIRECTORS: C. Plant (Chair), M. Tait (Vice Chair), M. Alto, P. Brent, S. Brice, J. Caradonna, C. Coleman, Z. de Vries, B. Desjardins, S. Goodmanson, G. Holman, P. Jones, D. Kobayashi, M. Little, C. McNeil-Smith, K. Murdoch, L. Szpak, D. Thompson, S. Tobias (11:54 am), A. Wickheim, K. Williams

STAFF: T. Robbins, Chief Administrative Officer; N. Chan, Chief Financial Officer; G. Harris, Acting General Manager, Parks and Environmental Services; K. Lorette, General Manager, Planning and Protective Services; I. Jesney, Acting General Manager, Integrated Water Services; E. Sinclair, Senior Manager, Regional and Strategic Planning; M. Lagoa, Deputy Corporate Officer; S. Orr, Senior Committee Clerk (Recorder)

Regrets: Director(s) J. Brownoff, D. Murdock, R. Windsor

The meeting was called to order at 11:50 am.

#### 1. Territorial Acknowledgement

Director de Vries provided a Territorial Acknowledgement.

#### 2. Approval of Agenda

**MOVED** by Director Kobayashi, **SECONDED** by Director Tait,  
That the agenda for the February 8, 2023 Session of the Committee of the Whole  
be approved.  
**CARRIED**

#### 3. Special Meeting Matters



3.1. [23-113](#) Strategic Planning Session 2B

**MOVED** by Director Brent, **SECONDED** by Director Little,  
That the Committee of the Whole approve the following Vision Statement:  
Our region is sustainable and resilient. We have exemplary environmental stewardship, a dynamic, vibrant economy and an inclusive, caring society. Regional cooperation, mutually beneficial decision making and advancing shared interests shape the CRD.

**MOVED** by Director de Vries, **SECONDED** by Director Szpak,  
That the main motion be amended by replacing in its entirety with the following:  
The CRD embraces cooperation, innovation, and bold leadership in the delivery of regional services that contribute to a livable, sustainable, and resilient Region. A region where all residents are included and have access to a quality of life that is fulfilling for them; and where there is a healthy natural environment for current and future generations.

**MOVED** by Director Thompson, **SECONDED** by Director Tait,  
That the amendment be amended by making it one paragraph instead of two paragraphs, and add the words "We envision" at the beginning of the second sentence.  
**CARRIED**

**MOVED** by Director Thompson, **SECONDED** by Director Tait,  
That the amendment be amended by removing the word "regional" from the first sentence.  
**CARRIED**

**MOVED** by Director McNeil Smith, **SECONDED** by Director Szpak,  
That the amendment be amended by replacing the word "envision" with "are".  
**CARRIED**

**MOVED** by Director Szpak, **SECONDED** by Director Brent,  
That the amendment be amended by removing the word "natural".  
**CARRIED**

The question was called on the amendment.

**The CRD embraces cooperation, innovation, and bold leadership in the delivery of services that contribute to a livable, sustainable, and resilient Region. We are a region where all residents are included and have access to a quality of life that is fulfilling for them; and where there is a healthy environment for current and future generations.**  
**CARRIED**

The question was called on the main motion as amended.

**The CRD embraces cooperation, innovation, and bold leadership in the delivery of services that contribute to a livable, sustainable, and resilient Region. We are a region where all residents are included and have access to a quality of life that is fulfilling for them; and where there is a healthy environment for current and future generations.**  
**CARRIED**

Motion to Report to Board:

**MOVED** by Director Tait, **SECONDED** by Director de Vries,  
That the Committee of the Whole report to the CRD Board at the February 8, 2023 meeting regarding the following:  
That staff are directed to proceed with development of the 2023-2026 Board Strategic Priorities inclusive of the strategic priorities identified by the Committee of the Whole in the strategic planning workshop and that staff report back to the Board at the March 8th meeting.  
**CARRIED**

**4. Adjournment**

**MOVED** by Director de Vries, **SECONDED** by Director Tait,  
That the February 8, 2023 Committee of the Whole meeting be adjourned at 12:24 pm.  
**CARRIED**

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CHAIR

CERTIFIED CORRECT:

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CORPORATE OFFICER

# Report to Nominators Presentation

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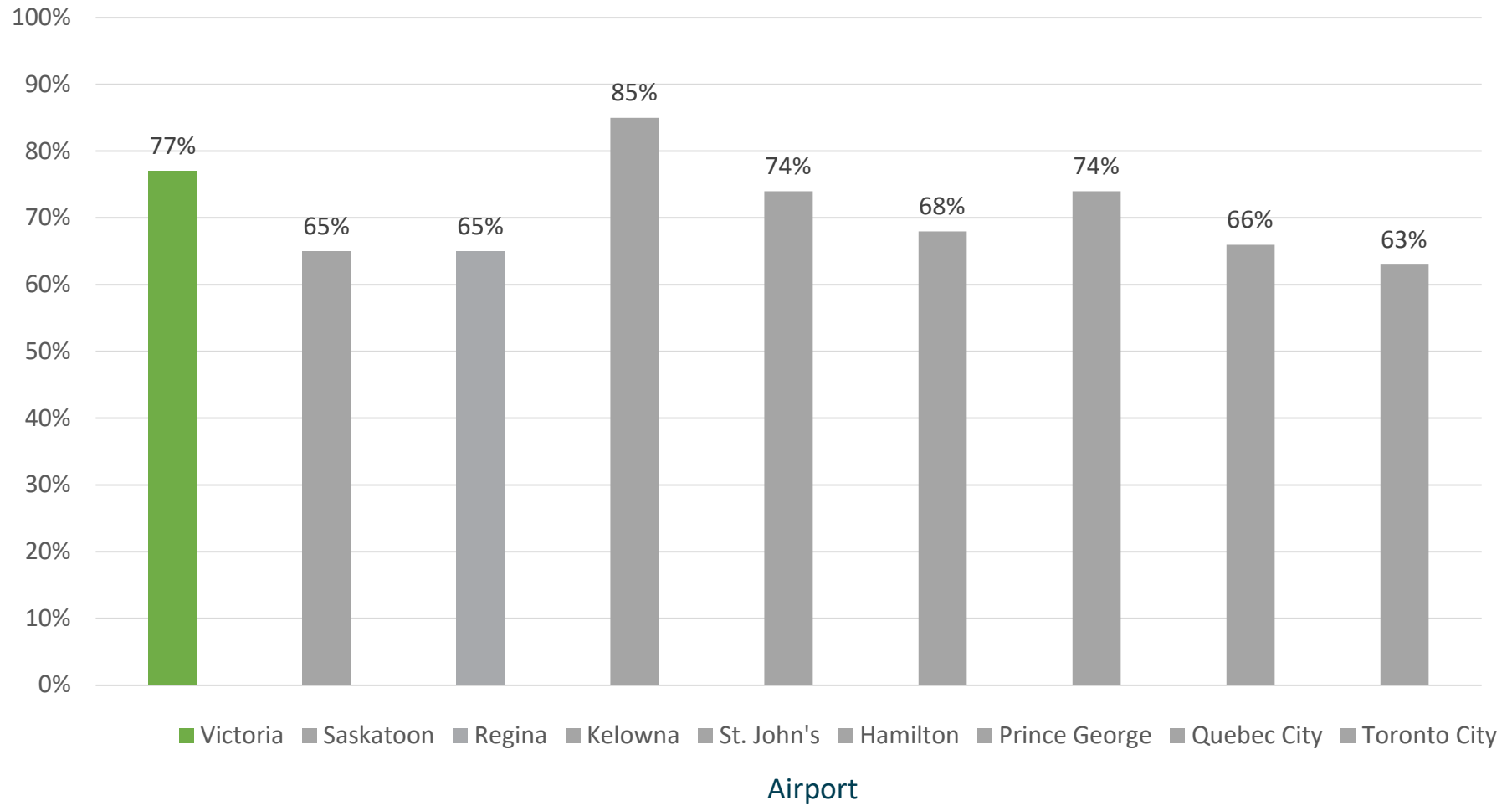
Capital District Region  
March 08, 2023



# Introduction - Victoria Airport Authority

- **Paul Gerrard**  
Capital Regional District Nominee
  - Chair - Planning and Development Committee
  - Steering Committee
  - Audit and Finance Committee
  
- **Geoff Dickson**  
President and CEO

## 2022 Passengers as % of 2019



## Ultra Low-Cost Carriers



- Toronto, Edmonton, Calgary, Ottawa, Winnipeg

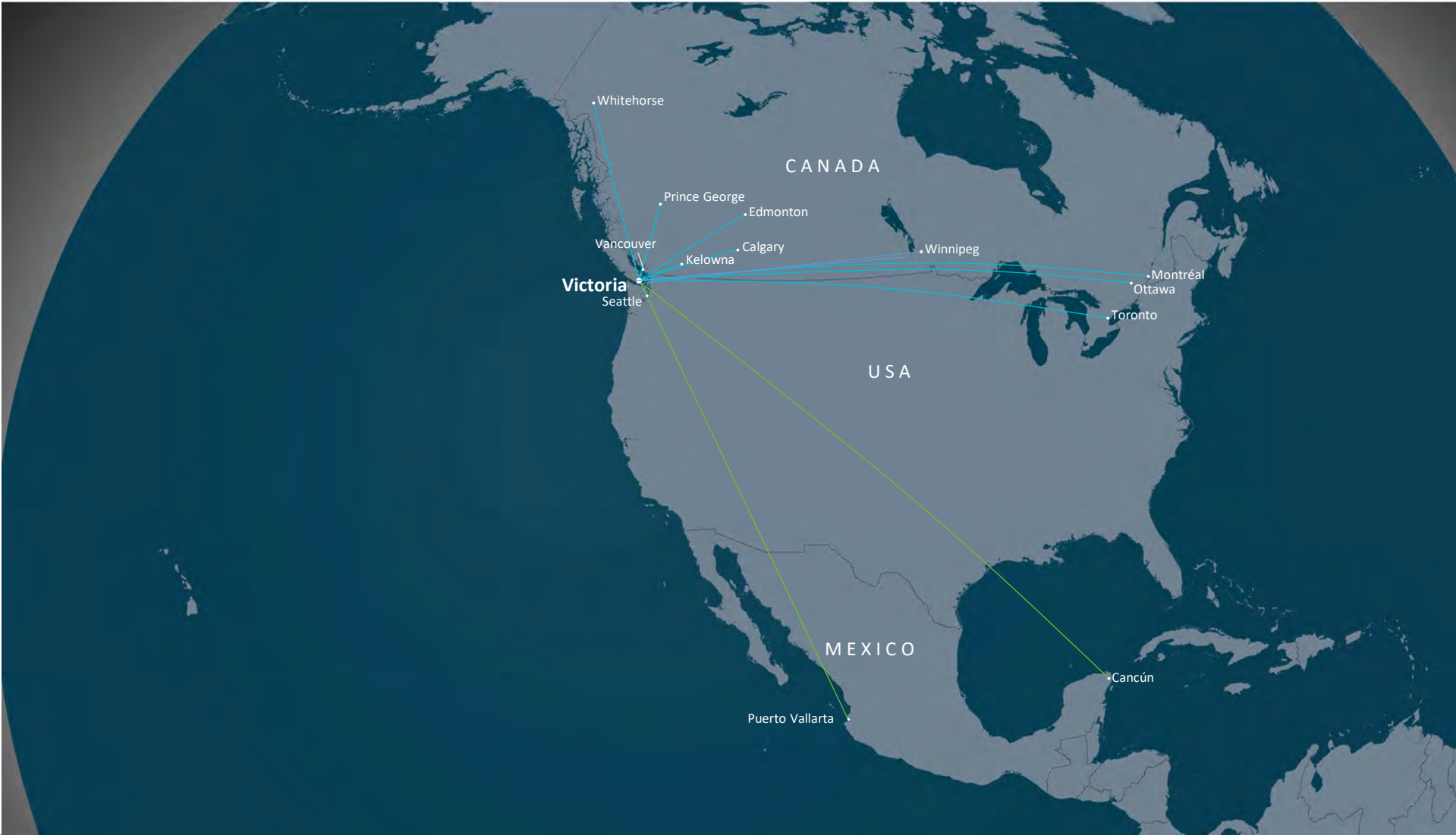


- Toronto

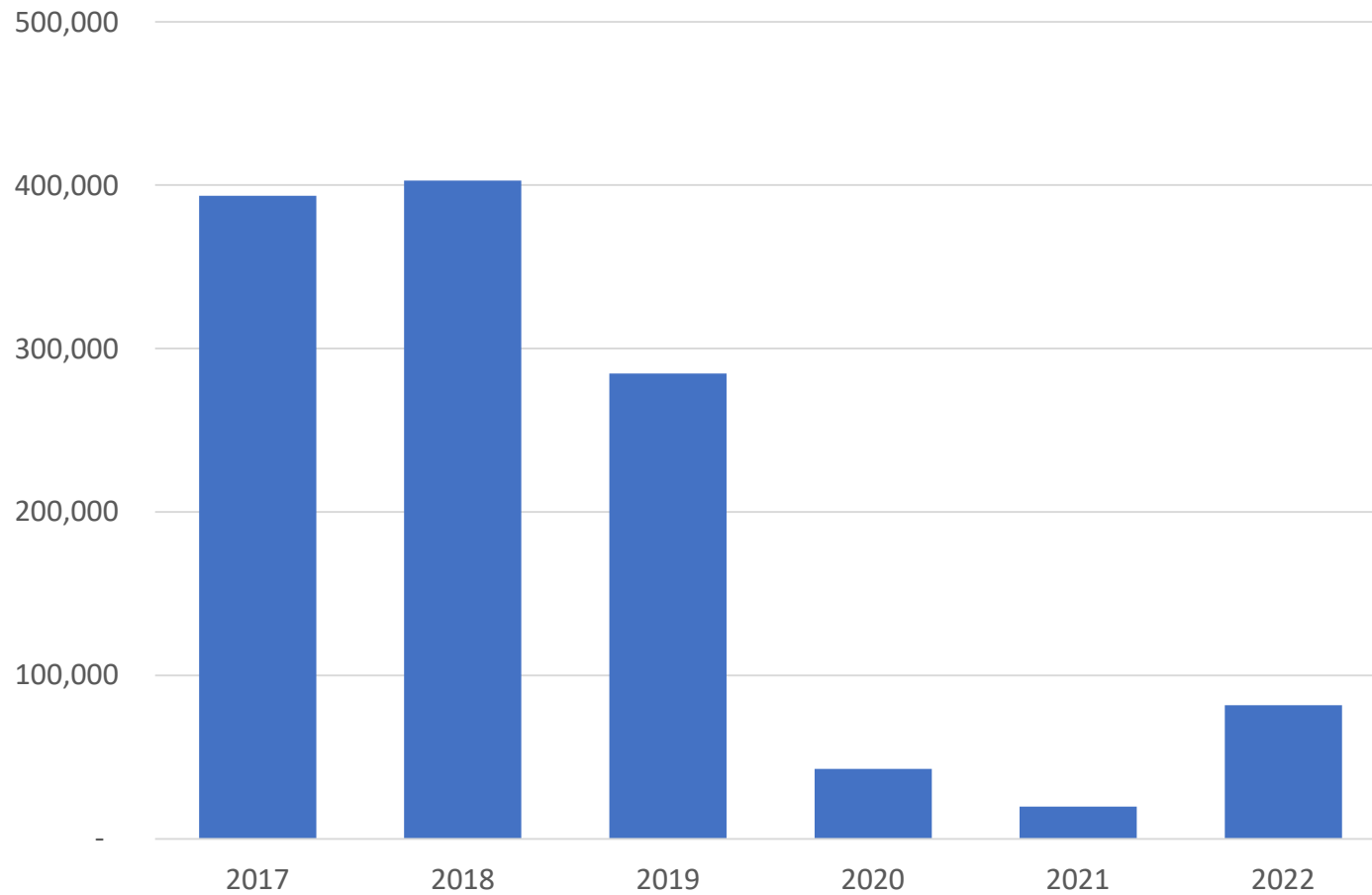


- Calgary

# YYJ Route Network

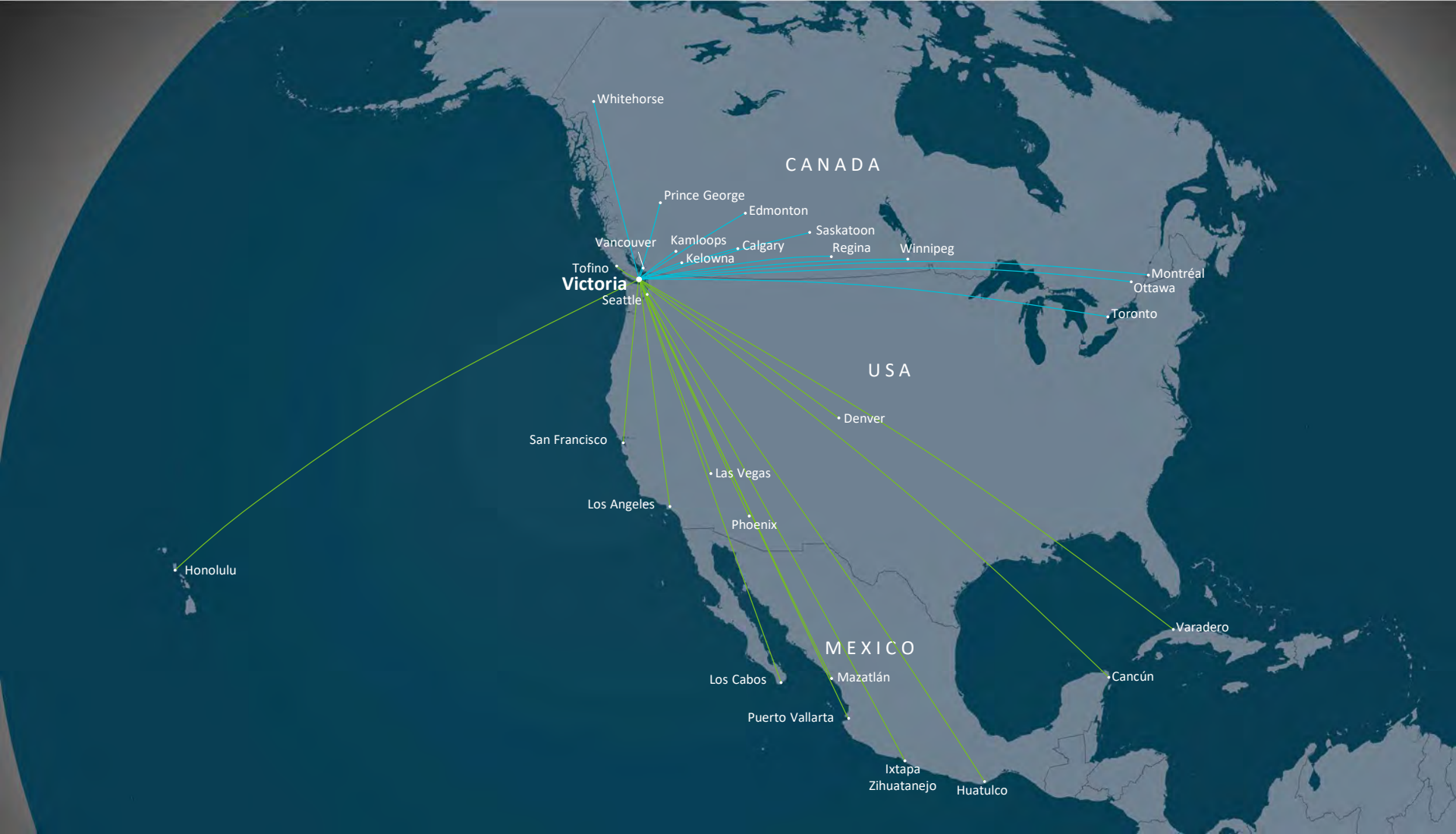


## Decline in YYJ US Flights and Seats



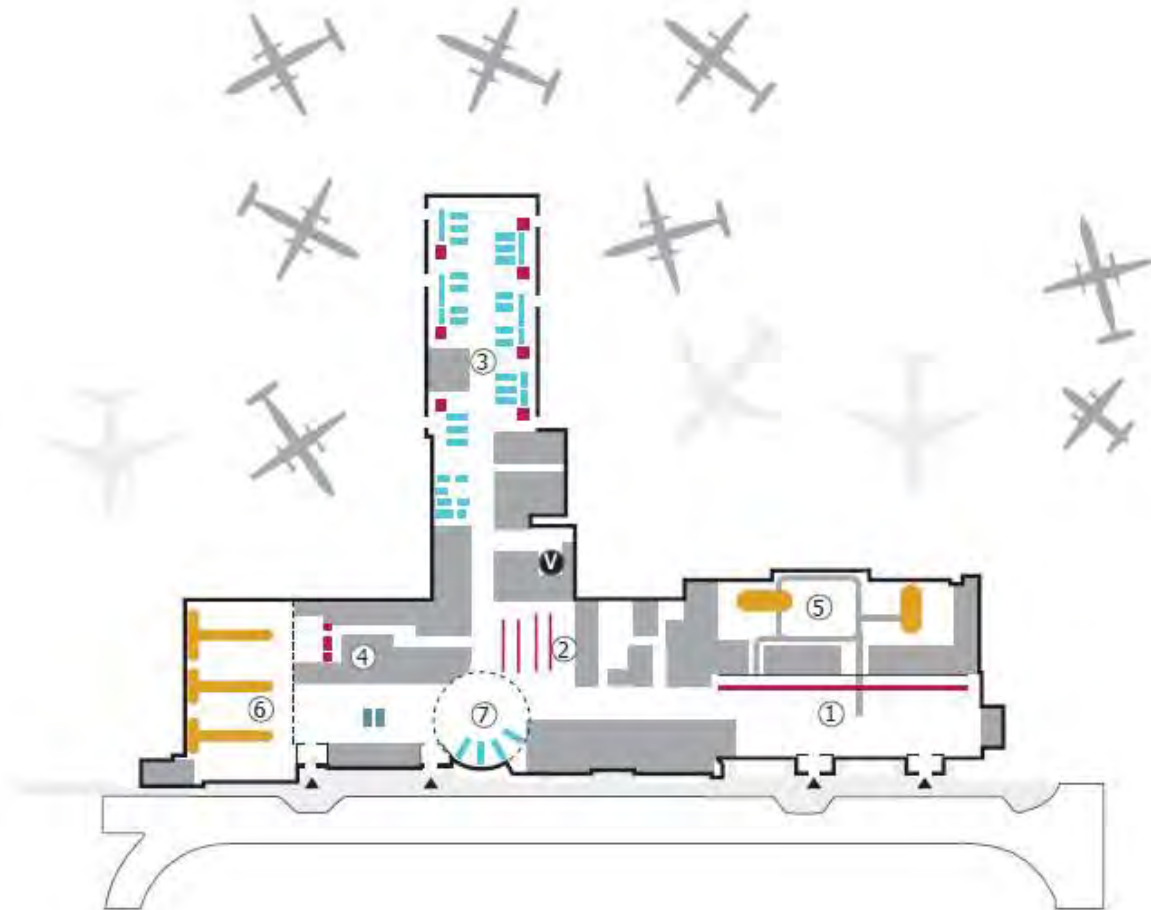


# New Route Focus



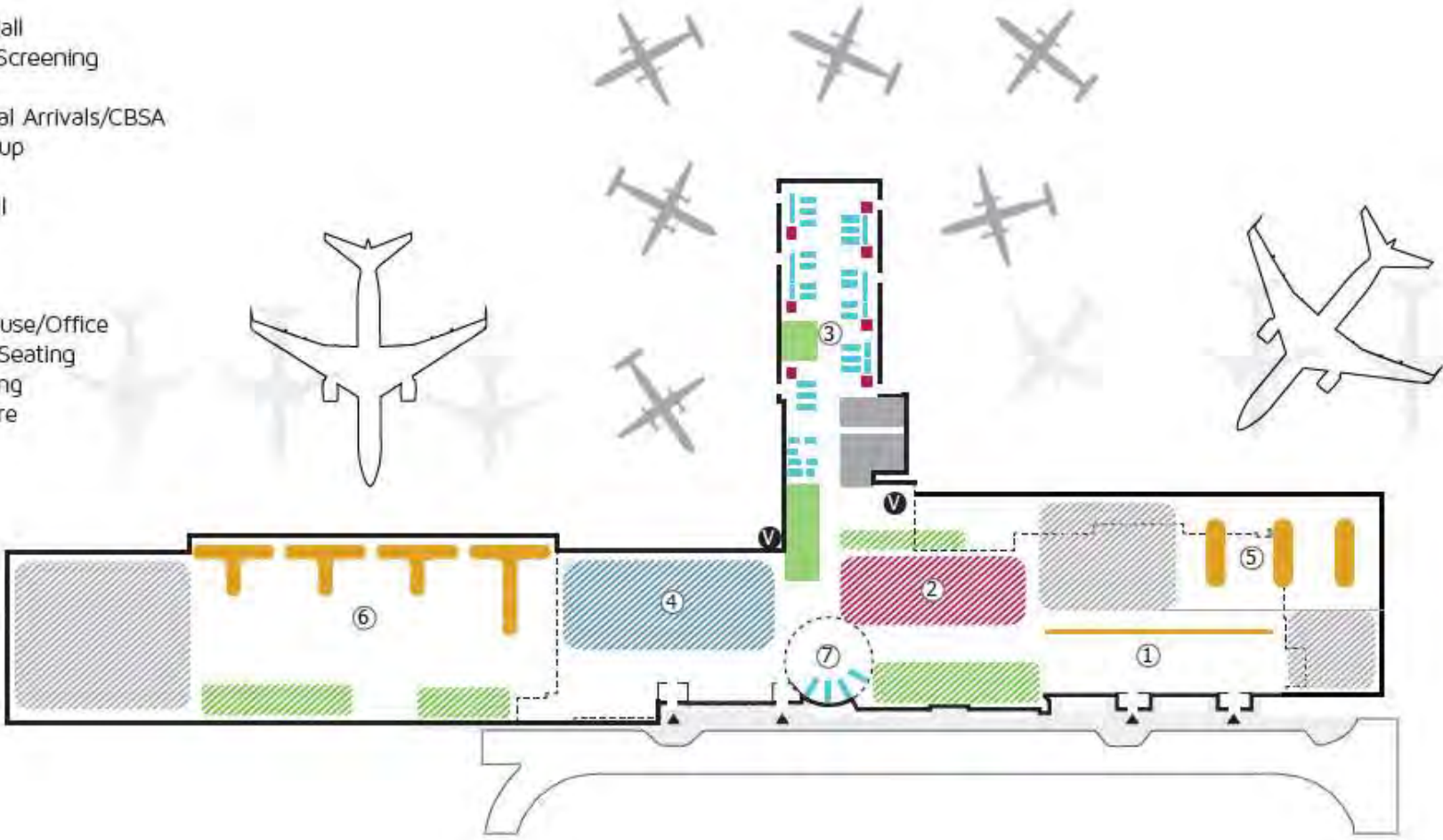
# Existing Terminal

- ① Check-In Hall
- ② Pre-Board Screening
- ③ Holdroom
- ④ CBSA
- ⑤ Bag Make-up and Screening
- ⑥ Bag Claim
- ⑦ Arrivals Hall
- ▼ Vertical Core



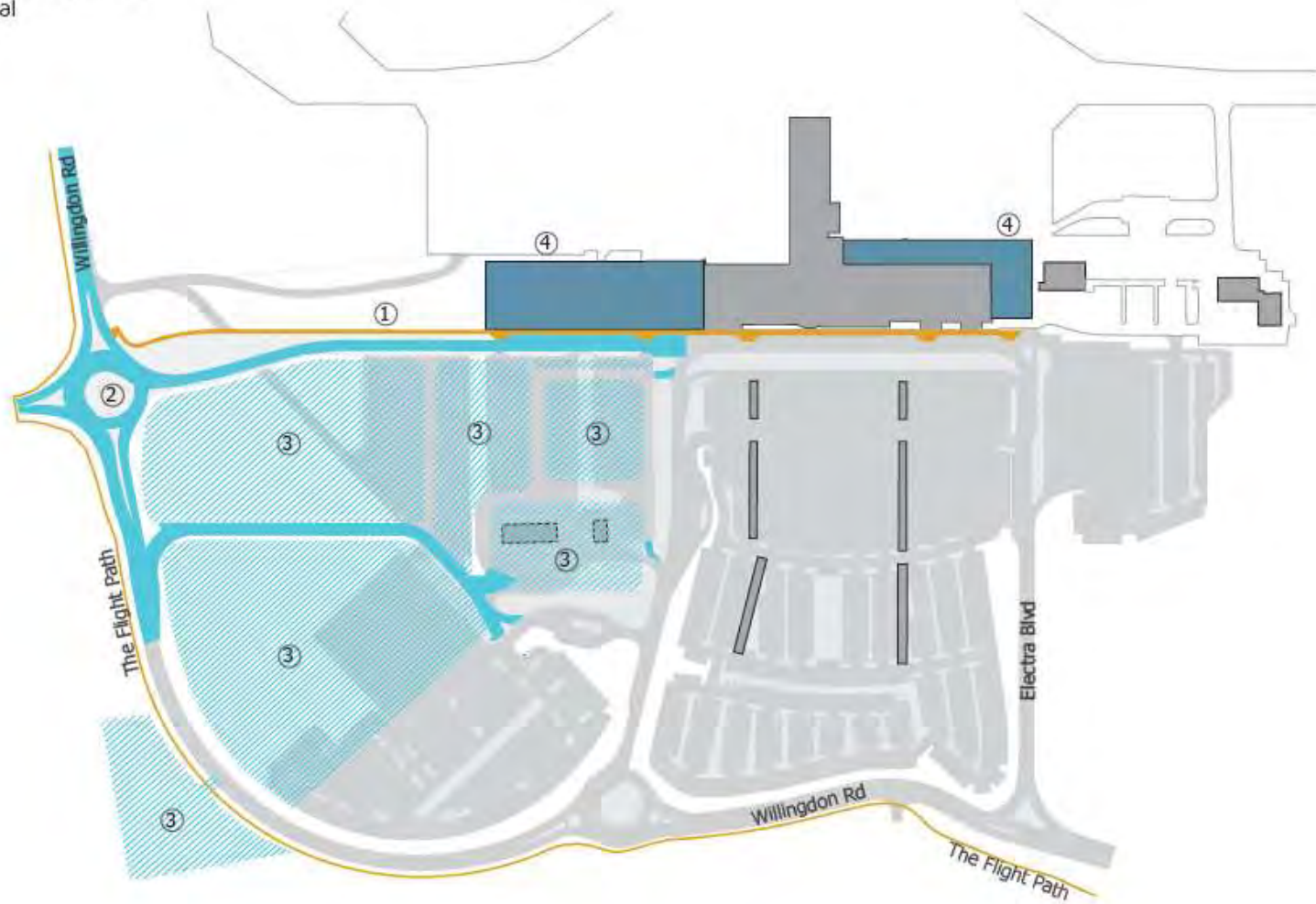
# Terminal 2023-2032

- ① Check-In Hall
- ② Pre Board Screening
- ③ Holdroom
- ④ International Arrivals/CBSA
- ⑤ Bag Make-up
- ⑥ Bag Claim
- ⑦ Arrivals Hall
  
- Security
- Retail
- Back of House/Office
- Holdroom/Seating
- Bag Handling
- Vertical Core



# Roads and Parking 2023 - 2032

- ① Expanded terminal curb
- ② New roundabout
- ③ Expanded/reconfigured parking
- ④ Expanded terminal





# Amazon





# Kothari Hotel Proposal



# Sustainability

WASTE



Goal: Waste diversion rate of 75% by 2025 and 90% by 2030

ECOLOGY -  
BIODIVERSITY



Goal: Increase by biodiversity by 20% and achieve Aichi Targets

GHG



Goal: ACI carbon accreditation  
2025 target - Level 3 (Optimization)  
2030 target - Level 4 (Carbon Neutrality)

WATER QUALITY -  
CONSERVATION



Goal: Reduce water use by 25% per passenger by 2030



# Pollinator Garden





# WSÁNEĆ







Making a difference...together

## REPORT TO ELECTORAL AREAS COMMITTEE MEETING OF WEDNESDAY, MARCH 08, 2023

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**SUBJECT**    Electoral Areas Strategic Planning

### **ISSUE SUMMARY**

To confirm the alignment between the Capital Regional District (CRD) 2023-2026 Board Priorities and priorities gathered through strategic planning with the three Electoral Areas (EAs).

### **BACKGROUND**

The CRD undertakes a strategic planning process at the outset of each new Board term of office. The objective of the strategic planning process is for the Board to confirm the long-term vision and set priorities to guide organizational activities.

### **PROCESS**

On November 23, 2022, the Directors from the three EAs –Juan de Fuca, Salt Spring Island, and the Southern Gulf Islands– met to discuss priority issues specific to their constituencies. Issues that were common to the region were brought forward to the strategic planning session with the Board.

The Board subsequently participated in two facilitated workshops in November 2022 and January 2023 to identify priorities for this term. The Board directed staff to finalize the 2023-2026 Board Priorities which advance 17 initiatives across five high-level priorities:

- 1) Transportation
- 2) Housing
- 3) Climate change & environment
- 4) First Nations
- 5) Governance

Upon approval of the priorities on March 8, 2023, the Executive Leadership Team will develop an accompanying Corporate Plan. This plan aligns CRD services, programs, and initiatives with Board Priorities and captures key operational and corporate-driven activities needed to guide the organization during the term. The Corporate Plan will be brought to the Board for approval in April 2023.

### **EA ALIGNMENT WITH BOARD PRIORITIES**

Appendix A shows there is strong alignment between the 2023-2026 Board Priorities and the initiatives identified by the three EA Directors during their strategic planning session.

Each EA initiative listed on page 1 of Appendix A has been incorporated in the corresponding Board Priority and staff will advance the goals jointly. In addition, Appendix A highlights that:

- Initiatives that were out of the scope of the Board Priorities will be captured in the CRD Corporate Plan.
- Similar to the Board strategic planning process, staff will consider appropriate framing of initiatives for inclusion in the corporate plan.
- Advocacy initiatives will be added to the list of advocacy topics gathered during the Board workshops.

This concludes the strategic planning process for EA directors.

Staff will develop divisional service plans and budgets to advance the initiatives in both the Board Priorities and Corporate Plan and bring this forward for review and approval annually in the fall.

**IMPLICATIONS**

*Financial Implications*

Staff will prepare divisional service plans and budgets for consideration by the Electoral Areas Committee and for Board approval. These plans, prepared annually, will identify actions to advance Board priorities and associated financial implications.

*Alignment with Board & Corporate Priorities*

Reporting on Board Priorities will take place through the Quarterly Board Priorities Dashboard as they are progressed.

Reporting on the Corporate Plan will take place twice a year through the strategic check-in in the spring and during service and financial planning in the fall.

**CONCLUSION**

The Board has identified five high-level priorities to address over its four-year term. Based on feedback gathered through strategic planning with the EA Directors in November 2022, there is strong alignment between the Board Priorities and those of the EA Directors. The Corporate Plan, along with divisional service plans, will align CRD services, programs and initiatives with Board Priorities and capture the remaining initiatives that were not captured in the Board Priorities.

**RECOMMENDATION**

There is no recommendation. This report is for information only.

Submitted by:	Emily Sinclair, MCIP, RPP, Senior Manager, Regional and Strategic Planning
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

**ATTACHMENT**

Appendix A: Alignment of Electoral Areas priorities to the 2023-2026 Board Priorities



Alignment of Electoral Areas priorities to the 2023-2026 Board Priorities

transportation

Residents have access to convenient, green and affordable multi-modal transportation systems that enhance livability.

housing

Residents have access to affordable housing that enhances livability.

climate action & environment

Progress on adaptation, reduced greenhouse gas emissions and triple-bottom line solutions that consider social, environmental and economic impacts.

First Nations

Strong relationships with First Nations based on trust and mutual respect, partnerships and working together on shared goals.

governance

Effective advocacy, coordinated and collaborative governance, and organizational performance and service delivery.

Board Strategic Priorities    purple = Board Priorities, black = EA priority that will be actioned through Board Priority

**1a Improve regional connectivity and safety across transportation modes**

**Actioned through priority:**

- Develop enhanced walking and cycling access along Otter Point Road (with the District of Sooke) – active transportation

**Move to 5a Advocacy:**

- Advocate for equity in transportation improvements across the district
- Investigate and advocate for traffic calming options where needed
- Coordinate and advocate in a unified way for critical maintenance of roadways by provincial partners across the district
- Advocate for signage and line painting in the communities
- Investigate and advocate for improvements to road maintenance, including cleaning the ditches and road edges
- Advocate for better sanitation facilities on the Circle Route (Highway 14)

**1b Support investments, expansion and equitable access to active and low carbon transportation**

**Actioned through priority:**

- Coordinate on shovel-ready active transportation projects to access and leverage equitable resourcing in design and engineering

**1c Present options for changes in governance for transportation in the region, including the Electoral Areas**

**Actioned through priority:**

- Regional Transportation (Authority) with EAs/islands included

**2a Increase supply of affordable, inclusive and adequate housing in the region**

**Actioned through priority:**

- Implement a Southern Gulf Islands and rural housing program

**Move to 5a Advocacy:**

- Advocate for more affordable housing that is sector-specific and purpose-built; that is tied to income; that addresses the broad spectrum of housing needs; and that considers what is affordable and appropriate in each area of the CRD
- Advocate for geographical equity in affordable housing

**3a Maximize solid waste diversion and resource recovery from waste materials**

**3b Explore options for a regional approach to biodiversity and the protection of ecological assets**

**Actioned through priority:**

- Manage invasive species across the region to support biodiversity
- Advocate to provincial partners on complex environmental issues in a coordinated way

**3c Increase resilience, community and adaptation planning to address climate related risks and disasters**

**Actioned through priority:**

- Reduce reliance on groundwater resources through rainwater capture options, including developing rainwater capture incentives for people that put a suite on their property

**3d Support energy efficient and low carbon buildings across the region**

**Move to 5a Advocacy:**

Advocate for incentives that change behaviour to create more affordable housing (e.g., a regional retrofit funding offer)

**4a Develop mechanisms to hear more from First Nations' governments as to how they would like the CRD to approach reconciliation**

**4b Collaborate with First Nations to build and strengthen new processes for respectful, reciprocal government-to-government decision-making and service delivery that uplift Indigenous self-determination**

**Actioned through priority:**

- Explore innovative approaches to governance and decision-making in partnership with First Nations as part of the CRD's engagement on its Reconciliation Action plan

**4c Invite, respect and incorporate Indigenous leadership and traditional knowledge to enhance initiatives and strategies that support other priorities in the plan**

**4d Support shared prosperity by enhancing economic opportunities, in partnership with First Nations**

**Actioned through priority:**

- Build government-to-government and community-to-community partnerships with First Nations, to advance Indigenous leadership and participation in economic development (e.g., tourism)
- Economic Reconciliation with First Nations and indigenous people

**5a Influence regional issues and advocate in a consistent, focused way that aligns with the Board strategic priorities**

**Actioned through priority:**

- Advocate for greater communication of information on the part of senior government for public participation in projects in their community
- Advocate about Bamberton mine expansion and permit extension – ecological effects of land activity on the marine environment
- Advocate for health centres in the electoral areas

**5b Strengthen Board decision-making frameworks to include First Nations reconciliation, equity, diversity and inclusion, and climate action lenses**

**5c Develop understanding of, and accountability for, equity, diversity and inclusion across CRD decision-making bodies**

**5d Foster greater civic participation among diverse community members**

**5e Explore changes to growth management approaches and identify implementation actions appropriate for local, regional and provincial implementation**

## OTHER INITIATIVES CAPTURED ON NOVEMBER 23, 2023

INITIATIVE	FOLLOW-UP ACTION(s)
<b>Economic Development</b>	
Localized business opportunities (consider economic development related to homebased businesses, farming, artisans and food services)	▶ To be included in Corporate Plan
<b>Environmental Protection</b>	
Investigate the East Sooke Algae Farm – ecological impacts of land activity on the marine environment	▶ This was addressed via staff report to the Electoral Areas Committee
<b>Housing</b>	
Review affordable housing proposals with densities suited to rural context	▶ This will be considered on a case-by-case as part of due process
Develop policies requiring a certain portion of houses in a subdivision to be built to a maximum size	▶ This has been addressed under existing zoning bylaw regulations
Relax enforcement for trailers, RVs and tiny homes for a period of time when they meet certain conditions (i.e., connected to septic systems and include adequate storage) if health & safety isn't compromised	▶ This was addressed via staff report to the Electoral Areas Committee
<b>Planning</b>	
Improve food security	▶ To be included in Corporate Plan
Research soil relocation – improving oversight of soil and other material being moved into the EA – more proactive enforcement	▶ Review and update of soil bylaw in Juan de Fuca EA already underway
<b>Protective Services</b>	
Develop a tsunami siren at Otter Point (to cover Gordon's Beach and other low-lying areas in Otter Point)	▶ To be included in Corporate Plan
<b>Recreation</b>	
Develop a community hall in Otter Point	▶ To be included in Corporate Plan
<b>Water</b>	
Develop piped water in East Sooke – explore opportunities for Metchosin, Sooke, and East Sooke to share in the costs for water service expansion	▶ Work has been completed through a study conducted by staff
Wilderness Mountain water system	▶ Ongoing matter being discussed with Island Health - and Commission
<b>Wastewater</b>	
Develop a wastewater treatment plan for Port Renfrew in conjunction with Port Renfrew OCP review	▶ To be included in Corporate Plan



Making a difference...together

**REPORT TO ELECTORAL AREAS COMMITTEE  
MEETING OF WEDNESDAY, MARCH 08, 2023**

---

**SUBJECT 2023 Salt Spring Island Local Community Commission Election –  
Appointment of Chief Election Officer and the Deputy Chief Election  
Officers**

**ISSUE SUMMARY**

To appoint a Chief Election Officer and Deputy Chief Election Officers for the purposes of conducting the Salt Spring Island Local Community Commission Election on May 27, 2023.

**BACKGROUND**

On October 15, 2022, qualified electors in the Salt Spring Island Electoral Area voted in favour of the CRD Board adopting Bylaw 4507, “*Salt Spring Island Local Community Commission Establishment Bylaw No. 1, 2022*”, authorizing the establishment of the SSI Local Community Commission.

Section 58 of the *Local Government Act* requires a local government to appoint a Chief Election Officer and Deputy Chief Election Officer for the purposes of conducting the Salt Spring Island Local Community Commission Election on May 27, 2023. The Chief Election Officer must then appoint election officials required for the administration and conduct of the election, and undertake all the statutory duties set out in the *Local Government Act*.

Pursuant to the *Local Elections Campaign Financing Act* and the *Local Government Act*, local governments and Elections BC share responsibility for local elections. Local governments administer elections and set voting opportunity dates, times and places; accept nomination documents; count ballots; announce election results; and follow a process to determine the successful candidate in the event of election ties. Elections BC administers, investigates and enforces the campaign finance disclosure and election advertising rules.

**ALTERNATIVES**

*Alternative 1*

The Electoral Areas Committee recommends to the Capital Regional District Board:

1. That pursuant to Section 58 of the *Local Government Act*, the Board appoint Kristen M. Morley as Chief Election Officer with the power to appoint such other assistance as may be required for the administration and conduct of the Salt Spring Island Local Community Commission Election on May 27, 2023; and
2. That the Board appoint Marlene Lagoa, Karla Campbell, and Anthony Kennedy, as Deputy Chief Election Officers.

*Alternative 2*

That the Electoral Areas Committee recommend the Board consider alternate appointments to the Chief Election Officer and Deputy Chief Election Officer positions.

**IMPLICATIONS**

An election cannot be conducted without the appointment of a Chief Election Officer and at least one Deputy Chief Election Officer. Given the geographic challenge of administering an election in the SSI Electoral Area, more than one Deputy Chief Election Officer is required to assist with the elections.

The Deputies on Salt Spring Island will be tasked with the following duties:

- Candidates - distributing nomination packages, hosting an information session, scheduling appointments for the filing of nomination documents;
- Mail Ballot - distribution and receipt of mail ballot packages to SSI addresses;
- Polling Locations - logistics and staffing; and
- Questions - directed to SSI Administration Office.

Advance and General Voting will take place from 8:00 am to 8:00 pm as follows:

<b>Voting Opportunity</b>	<b>Date</b>	<b>Polling Locations</b>
Advance Voting	Wednesday, May 17, 2023 Wednesday, May 24, 2023	<ul style="list-style-type: none"><li>• Community Gospel Church</li><li>• SSI Public Library</li></ul>
General Voting Day	Saturday, May 27, 2023	<ul style="list-style-type: none"><li>• Community Gospel Church</li><li>• Fulford Hall - Seniors Centre</li><li>• SSI Public Library</li></ul>

Mail ballot voting will be available to qualified electors in the Salt Spring Island Electoral Area upon receipt of a completed application form.

**CONCLUSION**

Preparations are currently underway for the Salt Spring Island Local Community Commission Election to be conducted on May 27, 2023. Appointment of the election officer positions is required and necessary to provide staff and contractors with the proper authority for the successful administration of the election.

**RECOMMENDATION**

The Electoral Areas Committee recommends to the Capital Regional District Board:

1. That pursuant to Section 58 of the *Local Government Act*, the Board appoint Kristen M. Morley as Chief Election Officer with the power to appoint such other assistance as may be required for the administration and conduct of the Salt Spring Island Local Community Commission Election on May 27, 2023; and
2. That the Board appoint Marlene Lagoa, Karla Campbell, and Anthony Kennedy, as Deputy Chief Election Officers.

Submitted by:	Marlene Lagoa, MPA, Manager, Legislative Services & Deputy Corporate Officer
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer



**REPORT TO ENVIRONMENTAL SERVICES COMMITTEE  
MEETING OF WEDNESDAY, FEBRUARY 15, 2023**

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**SUBJECT**     **2022 Solid Waste Stream Composition Study Results**

**ISSUE SUMMARY**

To present the results of the 2022 Solid Waste Stream Composition study.

**BACKGROUND**

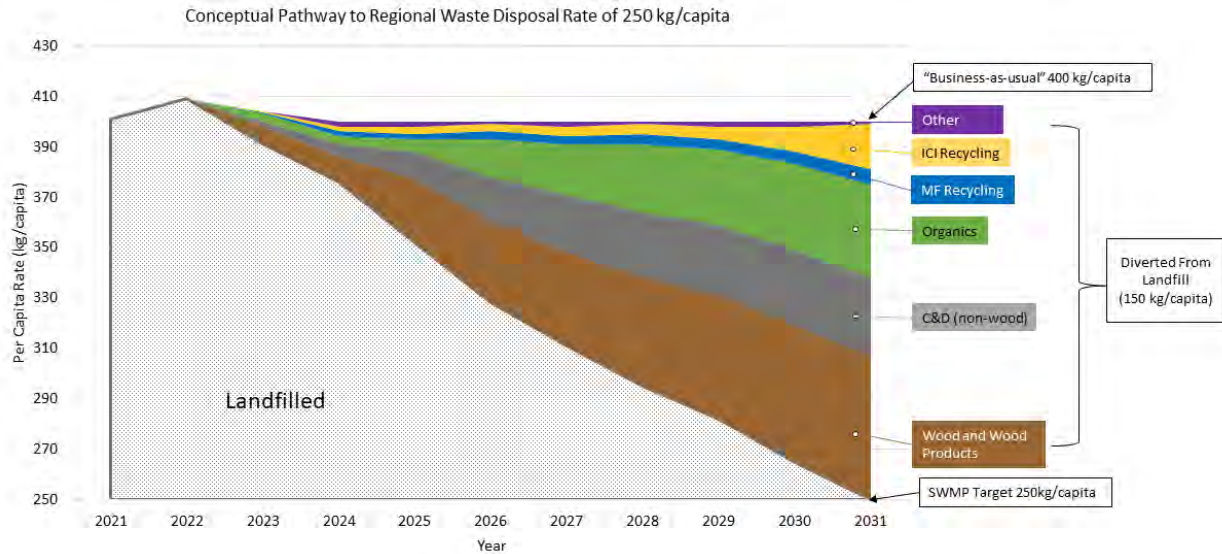
The Capital Regional District (CRD) conducts solid waste stream composition studies approximately every five years to assess the composition of waste being landfilled at Hartland, and to provide analysis on the contributions to the waste stream by sector and by material type. The studies provide valuable benchmark data and analysis for evaluating the success of existing solid waste programs and planning future initiatives.

The 2022 Solid Waste Stream Composition Study was conducted by Tetra Tech Canada Inc. from September 5 to 22, 2022 at Hartland Landfill. Waste stream audits represent a snapshot of waste composition at the time of collection and provide valuable insight to support solid waste planning. The full report is attached as Appendix A. Highlights of the 2022 waste composition study results are:

- Organic waste coming to Hartland Landfill continues to decrease since the 2015 organics ban. Organics now represent 16.7% of waste landfilled, down from 21% in 2016. The 2022 study estimates organic waste contribute 67 kg/capita to the annual per capita disposal rate, down from 75 kg/capita in 2016. Organics are the second-largest component of the waste stream and represent an opportunity for future diversion.
- Wood and wood products are now the largest material stream, accounting for 18.9% of total waste sent to Hartland Landfill. The per capita disposal rate increased from 61 kg/capita in 2016 to 76 kg/capita in 2022. A ban on wood waste at Hartland is expected to result in further diversion.
- The other two largest material categories, paper/paperboard (14.2%) and plastics (12.6%), have shown little change in per capita disposal rates. Paper/paperboard has increased slightly from 55 kg/capita in 2016, to 57 kg/capita in 2022, and plastics have remained the same at 51 kg/capita for 2016 and 2022.
- The construction and demolition (C&D) material category had the greatest change, with an increase of 6.6% compared to 2016. C&D materials now account for 13.3% of the waste stream. This is likely due in part to the closure of Trevisa Highest Landfill in 2021, and rerouting of that material to Hartland Landfill, as well as an active real estate market.

The 2022 Solid Waste Stream Composition Study also analyzed waste stream diversion potential and identified that approximately 47% of the material received at Hartland could have been diverted at source through existing systems. The “Conceptual Pathway to 250 kg/capita” chart below shows a potential pathway to achieving a regional disposal rate of 250 kg/capita by 2031. The chart was created by analyzing Solid Waste Management Plan (SWMP) strategies and actions, as well as the results from the waste composition study. This comparison revealed the

greatest per capita diversion potential exists through targeting specific material categories such as wood and wood products, C&D, and organics, as well as specific sectors such as multi-family and industrial, commercial and institutional.



Results from the 2022 report will assist in planning to achieve the 2021 Solid Waste Management Plan waste disposal target of 250kg/capita by 2031. Staff will return to the Environmental Services Committee in March 2023 with proposed amendments to the Hartland Landfill Tipping Fee Bylaw, and by introducing a revised tipping fee schedule and new bans to better encourage diversion.

**CONCLUSION**

Since 1990, the Capital Regional District has commissioned waste composition studies to assess the composition of waste being landfilled at Hartland Landfill. The most recent study, completed in September 2022, provides valuable benchmark data and analysis for evaluating the success of existing solid waste programs. Results from the 2022 report will assist in planning to achieve the 2021 Solid Waste Management Plan waste disposal target of 250kg/capita by 2031. Staff will use results from the study to inform future waste diversion initiatives.

**RECOMMENDATION**

There is no recommendation. This report is for information only.

Submitted by:	Russ Smith, Senior Manager, Environmental Resource Management
Concurrence:	Larisa Hutcheson, P. Eng., General Manager, Parks & Environmental Services
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

**ATTACHMENT**

Appendix A: CRD – 2022 Solid Waste Stream Composition Study – TetraTech (December 19, 2022)

## Capital Regional District 2022 Solid Waste Stream Composition Study



PRESENTED TO  
**Capital Regional District**

DECEMBER 19, 2022  
ISSUED FOR USE  
FILE: 704-SWM.PLAN03248-01

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## EXECUTIVE SUMMARY

Tetra Tech Canada Inc. (Tetra Tech) was retained by the Capital Regional District (CRD) to undertake the 2022 waste composition study to determine the characteristics of municipal solid waste disposed at Hartland Landfill. The study was undertaken from September 5 to September 22, 2022 (inclusive).

The CRD is a regional entity that consists of 13 member municipalities and three electoral areas, covering an area of 2,341 square kilometres and servicing more than 425,000 citizens. In the regional district, waste diversion and disposal services and programs continue to evolve with the current recycling markets, changes in the provincial regulations, and community needs which are reflected in the current landfill bans (e.g., materials such as drywall, cardboard, large appliances, tires, scrap metal, fill, aggregate, concrete, asphalt, rubble and clean soil, paper fibres, yard and garden waste, extended producer responsibility materials, and kitchen food scraps).

This study allows the CRD to determine where resources should be directed in the future to achieve their waste diversion goals as per their updated 2021 Solid Waste Management Plan.

This study collected sector-specific data for the following sectors:

- Single-family (SF);
- Multi-family (MF);
- Industrial, Commercial, and Institutional (ICI);
- Public Drop Off (DO); and
- Construction and Demolition (C&D).

### Waste Composition Results

A total of 82 garbage samples were characterized for this study. Waste materials were classified into 14 primary categories, which were further broken down into 94 secondary categories. Samples were characterized by manual sorting and/or visual estimation.

Table E-1 presents the composition from each sector's garbage stream, as well as the overall composition. The overall waste composition is a weighted average that was calculated based on the relative proportions of waste disposed for each sector. The diversion potential of materials from each sector was calculated based on the theoretical percentage of materials that could be diverted through composting programs, recycling programs, or depots.

Table E-2 summarizes the diversion potential for each sector as well as the overall diversion potential.

**Table E-1: Waste Composition Results by Sector**

Primary Category	Waste Composition (%)					
	SF	MF	ICI	DO	C&D	Overall
Paper and Paperboard	17.5%	20.1%	18.7%	0.9%	2.3%	14.2%
Glass	2.5%	3.1%	1.2%	1.2%	0.3%	1.6%
Metals	3.2%	3.6%	3.7%	1.1%	1.4%	3.0%
Plastics	17.5%	15.0%	15.5%	2.8%	3.3%	12.6%
Organics	25.1%	23.1%	20.3%	0.6%	1.2%	16.7%
Wood and Wood Products	1.2%	2.3%	15.2%	45.6%	48.9%	18.9%
C&D (non-wood)	2.6%	3.6%	7.2%	21.1%	38.5%	13.3%
Textiles	8.5%	7.5%	4.4%	1.1%	1.6%	5.1%
Tires	0.9%	5.8%	1.4%	0.0%	0.0%	1.5%
Bulky Objects	0.1%	0.0%	0.4%	10.1%	0.8%	0.7%
Household Hygiene	14.2%	10.7%	5.5%	0.3%	0.0%	6.8%
Hazardous Wastes	3.3%	2.3%	1.2%	0.3%	0.4%	1.6%
Electronics	1.5%	1.6%	1.4%	0.3%	0.0%	1.1%
Other	1.9%	1.3%	3.9%	14.6%	1.3%	2.9%

**Table E-2: Diversion Potential by Sector**

Primary Category	Diversion Potential					
	SF	MF	ICI	DO	C&D	Overall
Compost/Organics	34%	33%	27%	1%	1%	23%
Recycling	10%	12%	12%	1%	2%	9%
Depot/Drop Off	18%	19%	14%	15%	11%	15%
Garbage	38%	36%	47%	84%	86%	53%

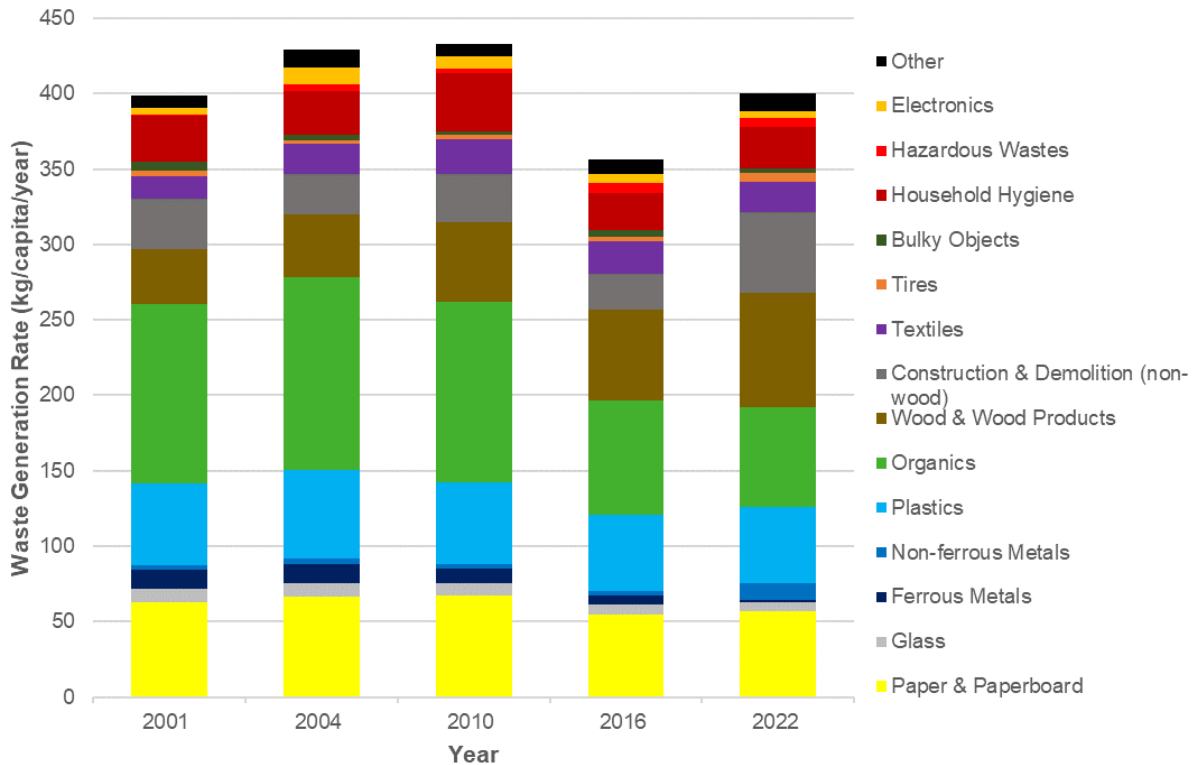
Six types of plastic Single-Use items (SUIs) were identified in the SF, MF, and ICI waste samples. The types of SUIs were weighed and individually counted. SUIs comprised of 1% to 2% by weight and between 83 to 249 items per 100 kg sample. In general, the number and weight of SUIs in the SF and MF streams are less than in the ICI stream. However, the number of SUIs varied between each sample.

**Waste Generation Per Capita and Historical Comparisons**

Based on the reported waste disposal tonnage in 2021 (172,886 tonnes) and estimated population (432,062), the 2021 waste generation rate was calculated to be 400 kg/capita/year. Using the waste composition data, the amount of waste generated in 2021 was estimated to be 76 kg/capita of wood and wood products, followed by 67 kg of organics, 57 kg of paper and paperboard, 53 kg of non-wood C&D material, and 50 kg of plastics.



The CRD commissions a waste composition study approximately every five years to determine the sources and composition (by weight) of municipal solid waste disposed at the regional district’s landfill(s). Previous studies were completed in 1990, 1996, 2001, 2004, 2009/2010, and 2016. Figure E-1 shows a comparison of the waste generation rates from 2001 to 2022.



**Figure E-1: Comparison of Historic Waste Generation Rates Per Capita**

Trends observed in the waste generation rates per capita include:

- From 2016 to 2022, C&D materials (non-wood) in the waste composition increased by 29 kg/capita (6.6%) and wood and wood products increased by 15 kg/capita (1.9%). This could be indicative of the real estate market in the early part of 2022. The closure of Highwest Landfill in 2021 may have also led to an increase in the amount of C&D materials received at Hartland Landfill.
- From 2016 to 2022, organics in the waste composition decreased by 8 kg/capita (4.4%). This change is likely due to the implementation and uptake of organics diversion programs in the region. This is a continuation of the trend that was observed from 2010 to 2016, where the percentage of organics in the waste composition decreased by 6.6%.
- The total amount of all other materials is relatively consistent compared to previous years and is within the expected variation for the results of the study from year to year.

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Appendix B	Material Categories
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## ACRONYMS & ABBREVIATIONS

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Acronyms/Abbreviations	Definition
C&D	Construction and Demolition
CRD	Capital Regional District
DO	Public Drop Off
EPR	Extended Producer Responsibility
ICI	Industrial, Commercial, and Institutional
MF	Multi-Family
SF	Single-Family
SUI	Single-Use Item
Tetra Tech	Tetra Tech Canada Inc.

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## **LIMITATIONS OF REPORT**

This report and its contents are intended for the sole use of the Capital Regional District and their agents. Tetra Tech Canada Inc. (Tetra Tech) does not accept any responsibility for the accuracy of any of the data, the analysis, or the recommendations contained or referenced in the report when the report is used or relied upon by any Party other than the Capital Regional District, or for any Project other than the proposed development at the subject site. Any such unauthorized use of this report is at the sole risk of the user. Use of this document is subject to the Limitations on the Use of this Document attached in the Appendix or Contractual Terms and Conditions executed by both parties.

## **NOTE TO THE READER**

The samples collected and audited for this study are “snapshots” in time, meaning the reported quantities are estimates and only represent the conditions for the period of time in which they were collected. Seasonal and annual variability, weather, and other factors can affect the amount and composition of waste and recyclables generated by the various sectors at any given time. Even with combined educational, regulatory and financial initiatives the reader should not assume that it is necessarily easy, practical, or economical to recover a substantial portion of a disposed material from a mixed waste stream or at its source.

## 1.0 INTRODUCTION

Tetra Tech Canada Inc. (Tetra Tech) was retained by the Capital Regional District (CRD) to undertake the 2022 waste composition study to determine the characteristics of municipal solid waste disposed at Hartland Landfill.

### 1.1 Scope of Work

The 2022 waste composition study establishes current data to help the region measure progress on its four goals in the updated 2021 Solid Waste Management Plan, these goals include:

1. Surpassing the provincial per capita waste disposal target of 350 kg/person/year and aspiring to achieve a disposal rate of 125 kg/person/year;
2. Extending the life of Hartland Landfill to the year of 2100;
3. Informing citizens that participate effectively in proper waste management practices; and
4. Demonstrating that the CRD's solid waste services are financially sustainable.

The objectives of the study included the following:

- Collect sector specific data for the following:
  - **Single-family (SF)**, typically curbside collected waste streams from SF households, row houses, townhouses, and duplexes.
  - **Multi-family (MF)**, typically waste from MF buildings. Waste from these sources is typically collected by private sector service providers from communal disposal receptacles, such as dumpsters.
  - **Industrial, Commercial, and Institutional (ICI)**, typically waste from light industrial, commercial, and institutional sources. Waste from these sources is typically collected by private sector service providers from dumpsters and compactors.
  - **Public Drop Off (DO)**, waste from residents and/or small businesses that would self-haul and drop off materials that are not typically collected from the curbside collection program. The waste material is commonly deposited into large roll-off bins and aggregated together.
  - **Construction and Demolition (C&D)**, materials and waste from construction, renovation, and demolition activities and includes waste generated from new construction, renovation, and demolition projects.
- Compare the 2022 data against data from the previous waste composition studies;
- Establish a baseline for new program initiatives;
- Identify materials that may be targeted for potential new program initiatives;
- Provide data for Single-Use items (SUI) and Extended Producer Responsibility (EPR) items in the waste stream; and
- Provide data to inform future strategies or initiatives.

The sorting event for Fall 2022 was undertaken from September 5 to 22, 2022 (inclusive). A sampling plan was developed in conjunction with CRD staff. Efforts were made to obtain samples from a representative sample in the regional district. The total number of samples collected and characterized during this sorting event is summarized by sector in Table 1-1.

**Table 1-1: Number of Samples Characterized by Sector**

Sector	Number of Samples	
	2016	2022
SF	27	20
MF	10	10
ICI	12	22
DO	38	10
C&D	20	20
<b>Total</b>	<b>107</b>	<b>82</b>

## 1.2 Background

The CRD is a regional entity that consists of 13 member municipalities and three electoral areas, covering an area of 2,341 square kilometres and servicing more than 425,000 citizens. There were two landfills in the region, Hartland Landfill and Highwest Landfill. Highwest Landfill closed in August 2021. In the regional district, waste diversion and disposal services and policies continue to evolve with the current recycling markets, changes in the provincial regulations, and community needs which are reflected in the current landfill bans (for materials such as drywall, cardboard, large appliances, tires, scrap metal, fill, aggregate, concrete, asphalt, rubble and clean soil, paper fibres, yard, and garden, EPR materials, and kitchen scraps).

The CRD commissions a waste composition study approximately every five years to determine the sources and composition (by weight) of municipal solid waste disposed at the regional district's landfill(s). Previous studies were completed in 1990, 1996, 2001, 2004, 2009/2010, and 2016. Due to the likely impact of COVID-19 on the composition and amount of waste generated in the region, the study that was scheduled for 2021 was delayed by a year to obtain a more accurate representation of typical waste disposal trends. Compared to previous studies, the current study has added analyses of the estimated diversion potential for each sector. The diversion potential of materials in the waste stream is calculated based on the percentage of materials that can be diverted from the landfill using programs such as composting, recycling programs, and drop off at depots.

The 2022 solid waste stream composition study will enable the CRD to determine where resources should be directed in the future to achieve their waste diversion goals as per their updated 2021 Solid Waste Management Plan.

## 2.0 METHODOLOGY

Sampling and sorting were conducted in accordance with the methodology set out in the Recommended Waste Characterization Methodology for Direct Waste Analysis Studies in Canada that was prepared by the Canadian Council of Ministers of the Environment.

Samples were collected and sorted by Tetra Tech staff who were trained on safety and waste sorting procedures. Personal protective equipment such as safety glasses, steel-toe boots, gloves, and hi-vis vests were used by all staff as per Tetra Tech’s Health and Safety Plan. Tailgate meetings were conducted daily at the start of each day to discuss safety concerns including how to handle material hazards such as sharps and hazardous materials, safe lifting practices, and working around large moving equipment. Prior to the start of the sorting event, all Tetra Tech sorting staff completed a site-specific safety orientation given by CRD staff.

## 2.1 Sample Collection Methodology

The following describes the collection approach for the various waste streams characterized. Tetra Tech’s field lead worked closely with CRD staff to identify loads for sampling that were representative of each waste sector. As selected sampling loads arrived at Hartland Landfill, Tetra Tech’s field lead would communicate with CRD staff to ensure the target load was emptied at the designated area for sampling. For each load, sample information, including origin of waste and photograph of sample(s), were collected.

### 2.1.1 Single-Family

SF residential curbside collection loads were selected with input from CRD staff. Efforts were made to select trucks from different municipalities and electoral areas in the Capital Region. Trucks were redirected to a designated tip face area (Figure 2-1) where the entire load was tipped (as typical operations). Tetra Tech staff would collect a sample that is approximately 100 kg. The collected material would be taken to a designated sorting area where the Tetra Tech sorting team would sort the sample into its respective categories and weigh the categories.



Figure 2-1: SF Load Tipped on Designated Tip Face Area

### 2.1.2 Multi-Family

MF loads were identified by Tetra Tech and CRD staff and were directed to unload their contents at the designated tip face area (Figure 2-2). At the area, trucks would tip their entire load (as typical operations). Tetra Tech staff would then collect a sample that consists of approximately 100 kg and transport that material to the designated sorting area where the sorting team would sort the sample into its respective categories and weigh the categories.



**Figure 2-2: MF Load Tipped on Designated Tip Face Area**

### **2.1.3 Industrial, Commercial, and Institutional**

ICI loads were delivered in front-load trucks. Target loads were identified by Tetra Tech and CRD staff and then were directed to unload their contents at the designated tip face area (Figure 2-3). At the area, trucks would tip their entire load (as typical operations). Tetra Tech field lead would determine if the load would be visually assessed or hand sorted. If the field lead determined the load would be hand sorted, staff would then collect a sample that consists of approximately 100 kg and transport that material to the designated sorting area. At the sorting area, the Tetra Tech sorting team would sort the sample into its respective categories and weigh the categories. If the load would be visually estimated, Tetra Tech staff would characterize the contents from the truck using a volume-based visual estimate procedure.



**Figure 2-3: ICI Load Tipped on Designated Tip Face Area**

### **2.1.4 Public Drop Off**

Residents can dispose of their bulky and excess materials into designated roll-off bins (Figure 2-4) located at the public drop off area at Hartland Landfill. CRD staff would identify incoming public drop off bins and the driver would tip the entire load (as typical operations) at the designated sorting area. Tetra Tech staff would characterize the contents in the roll-off bins using a volume-based visual estimate procedure.





**Figure 2-4: Public Drop Off Load Tipped on Designated Tip Face Area**

### 2.1.5 C&D Loads

Commercial and residential C&D loads identified as C&D materials were directed by CRD staff to unload their contents at the designated tip face area (Figure 2-5). At the area, trucks would tip their entire load (as typical operations). Tetra Tech staff conducted visual estimates of the entire load to identify the composition of each load.



**Figure 2-5: C&D Load Tipped on Designated Tip Face Area**

## 2.2 Waste Characterization Approach

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An initial visual analysis was conducted on each load to determine which of the following methods would be used:

- **Hand Sort (Manual Sort)** – A random sample of about 100 kg was pulled from the load and sorted by hand. This method was used for loads that were roughly two-thirds or more, composed of bagged garbage.
- **Visual Estimation** – The entire load was visually estimated for loads that were composed of one-third or less of bagged garbage.



## 2.2.1 Hand Sort

As selected SF, MF, and ICI loads arrived at Hartland Landfill, Tetra Tech's field lead would communicate directly with the driver to determine the origin of the material. Once selected for the study, landfill staff would direct the driver to empty their load at the designated location on the landfill face for sample collection. The skid steer operator would then collect one loader bucket from the ends and middle of the load (approximately 200 kg to 300 kg in weight) and delivered it to the sample collection area.

The field team would collect a waste sample that was approximately 100 kg using a rough grid pattern to minimize potential bias. Tetra Tech field staff then transported collected samples to be hand sorted at the designated sorting area (Figure 2-6). Each categorized item was placed into respective bins. The contents of each bin were then weighed and recorded to determine the weight for each secondary category. In addition, six types of plastic SUIs were also individually counted and recorded.



**Figure 2-6: Field Staff Hand Sorting a Sample at the Designated Sorting Area**

## 2.2.2 Visual Estimates

For ICI, C&D, and DO loads that entered Hartland Landfill, the entire load would first be visually assessed. When the amount of bagged garbage was less than 30% of the load, the samples were visually estimated and characterized by two Tetra Tech field staff who walked around the load (independently) to visually estimate composition by volume, first by primary categories, then by secondary categories. Once each staff member completed their estimates, they would compare and average out their results. Results were then recorded electronically.

## 2.3 Material Categories

A comprehensive list of material categories along with their descriptions is included in Appendix B. These categories were used in both the visual estimated and hand sorted materials. For samples where visual estimates were conducted, the category densities used to convert the volume-based percentages into weight-based percentages is also included in Appendix B. During the sorting event, waste materials were classified into 14 primary categories, which were further broken down into 94 secondary categories. These sorting categories were selected and approved by CRD staff.

The 14 primary categories include the following:

- Paper and Paperboard
- Plastics
- C&D Material (non-wood)
- Bulky Objects
- Electronics
- Glass
- Organic Waste
- Textiles
- Household Hygiene
- Other
- Metal
- Wood and Wood Products
- Tires and Rubber Products
- Hazardous Waste

### 3.0 WASTE COMPOSITION RESULTS

The following summarizes the waste composition results for the various sectors investigated. Results are presented by primary category. Primary category percentages were calculated by aggregating all sample data for each sector. An average percentage by weight was determined for each sector. Waste composition results for all sample results by material categories are presented in Appendix C. Selected photographs of the samples are shown in Appendix D.

For samples where visual estimates were conducted, the volume-based percentages were converted into weight-based percentages using specific densities for material categories (Appendix B lists the specific densities for each material category).

Diversion potential of materials in the waste stream were divided into four general categories: (1) organics/compostables (collected in the kitchen scraps and yard/garden waste programs); (2) recyclables (typical recyclables, such as cardboard and newsprint that can be collected in recycling programs); (3) depot/drop off materials (divertible materials that can be dropped off at a depot, donation, or registered collection site or a transfer station); and (4) garbage (residuals that are landfilled/disposed). Classifications for what can be diverted through composting, recycling, or depot/drop off are included in Appendix A. The diversion potential is calculated based on an ideal scenario where residents and/or businesses are correctly utilizing all waste diversion options that were available at the time of the study. This is the theoretical diversion limit of what is possible given the current waste composition. This is a hypothetical analysis and does not consider different diversion potentials for specific materials and seasonal differences in compositions for different sectors.

It should be noted that the diversion potential is calculated based on existing current waste diversion programs. As the CRD’s waste system evolves and matures, new processing and diversion opportunities will emerge and thereby the diversion potential will likely increase.

### 3.1 Overall Waste Composition

The following summarizes the overall waste composition of materials disposed at Hartland Landfill and diversion potential based on the overall waste composition. This overall waste composition was calculated based on the total tonnage disposed at Hartland Landfill in 2021 (172,886 tonnes) and relative proportions of waste disposed for each sector. Table 3-1 summarizes the estimated amount of waste received at Hartland Landfill in 2021.

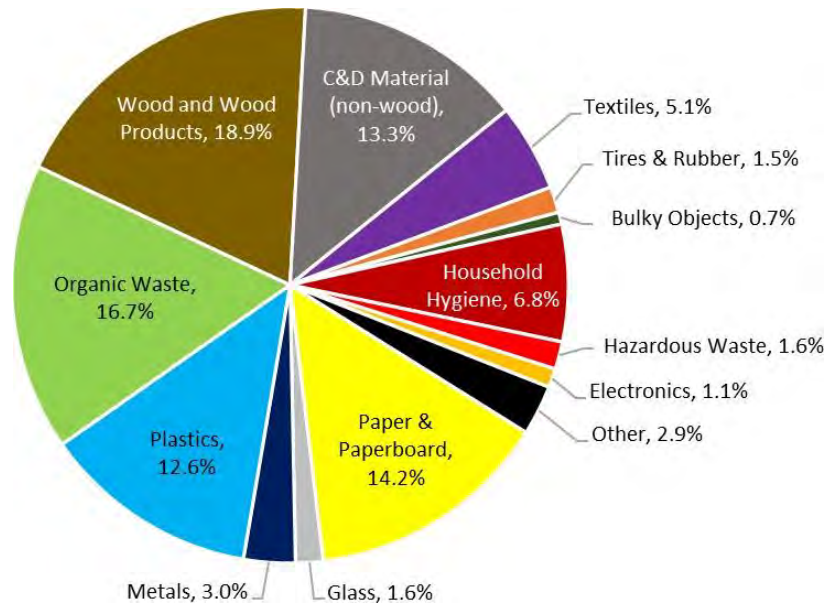
**Table 3-1: Amount of Waste Received at Hartland Landfill in 2021**

Sector	Estimated Amount (tonnes)	Proportion of Waste Disposed
SF	41,838	24.2%
MF	23,167	13.4%
ICI	61,893	35.8%
DO	6,743	3.9%
C&D	39,245	22.7%
<b>Total</b>	<b>172,886</b>	<b>100.0%</b>

### 3.1.1 Overall Waste Composition Results

Figure 3-1 represents the average waste composition of the garbage stream from all sectors received at Hartland Landfill in September 2022. This is a snapshot of the types and relative quantities of materials that were discarded by residents and businesses at this time of the year.

The garbage stream was primarily composed of wood and wood products (18.9%), organic waste (16.7%), paper and paperboard (14.2%), C&D materials – non-wood (13.3%), and plastics (12.6%). These five primary categories represent 75.7% of the waste stream.



**Figure 3-1: Composition of the Overall Garbage Stream**

Wood and wood products were mostly composed of plywood/particle board (6.5%), treated wood (4.9%), and painted wood (2.2%).

The largest components of organic waste were avoidable or donatable food waste (10.6%), followed by yard and garden waste (3.1%), and unavoidable food waste (2.8%). Yard and garden waste includes grass, leaves, and branches that are less than 3 inches in diameter.

The largest components of paper products were compostable soiled paper (5.8%), followed by non-recyclable paper (2.6%), printed paper (1.8%), and paper packaging – dry goods (1.7%).

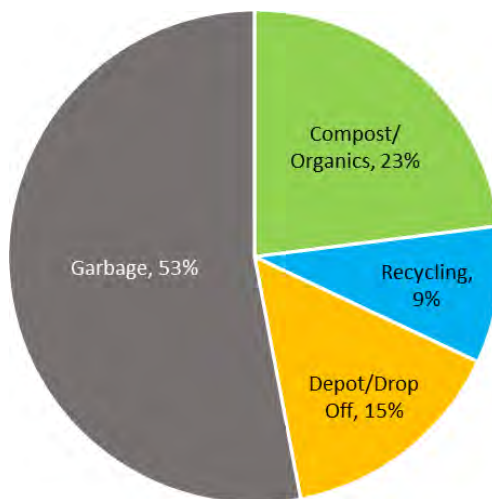
For non-wood C&D materials, the largest components were asphalt shingles (7.0%), flooring – carpet and underlay (2.1%), and other C&D waste (1.8%). Other C&D waste includes ceiling tiles, pipes, toilets, and doors.

Plastic was mostly composed of durable plastic products (3.0%), other flexible plastic packaging (2.7%), film product (2.0%), rigid plastic containers (1.7%), and film packaging – other bags and overwrap (1.6%).

### 3.1.2 Overall Diversion Potential

Figure 3-2 summarizes the diversion potential of the overall garbage stream. The diversion potential represents the percentage of materials that could be diverted through composting, recycling, other diversion programs in the regional district, such as C&D recycling (e.g., drywall, concrete, asphalt) or donation of reusable items (e.g., clothing, tools, furniture), and product stewardship programs. The product stewardship programs are diversion options available in the regional district, including materials accepted at Recycle BC depots (e.g., recyclable plastic film, expanded polystyrene) and materials managed by EPR programs (e.g., Encorp Return-It for beverage containers, Product Care, Call2Recycle).

As shown on Figure 3-2, the total diversion potential is 47% and that consists of 23% compost/organics, 15% depot/drop off recycling material, and 9% recycling.



**Figure 3-2: Diversion Potential of the Overall Garbage Stream**

The main materials that could be diverted in compost/organics are food waste – avoidable or donatable (11%) and compostable soiled paper (6%).

The main materials that could be diverted through depot/drop off are plastics that are only accepted at depots (5%). Plastics accepted only at depots include film packaging – other bags and overwrap, other flexible plastic packaging, and rigid plastic containers – expanded polystyrene.

The main materials that could be diverted in recycling are printed paper (2%), paper packaging – dry goods (2%), rigid plastic containers (2%), and corrugated cardboard (1%).

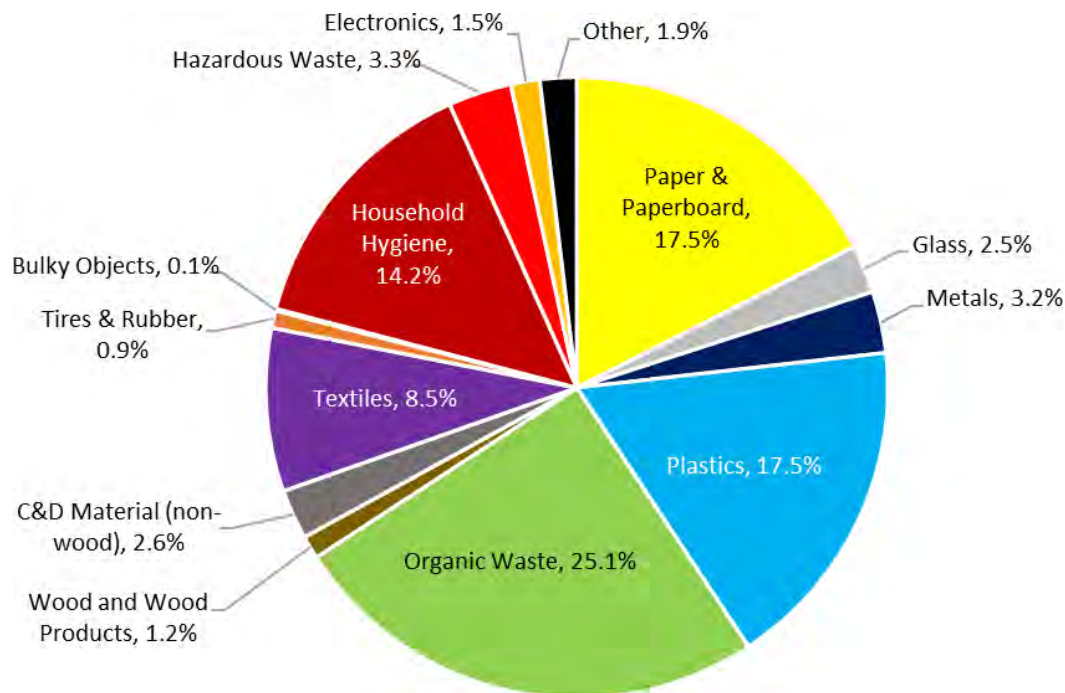
## 3.2 Single-Family

The following summarizes the waste composition results and diversion potential for SF garbage. Samples were obtained from municipalities in the regional district that offer municipal garbage collection (e.g., Oak Bay, Saanich, Sidney, Victoria, View Royal), as well as municipalities and electoral areas that rely on private service collection (e.g., Central Saanich, Colwood, Langford, North Saanich, Pender Island, Sooke, Salt Spring Island).

### 3.2.1 Single-Family Waste Composition Results

Figure 3-3 represents the average waste composition of the garbage stream from SF households in the regional district in September 2022. This is a snapshot of the types and relative quantities of materials that were discarded by residents at this time of the year.

SF garbage was primarily composed of organic waste (25.1%), paper products (17.5%), plastic products (17.5%), household hygiene (14.2%), and textiles (8.5%). These five primary categories represent 82.8% of the waste stream.



**Figure 3-3: Composition of the SF Garbage Stream**

The largest components of organic waste were avoidable or donatable food waste (17.4%), followed by unavoidable food waste (5.1%), and yard and garden waste (2.1%). Yard and garden waste includes grass, leaves, and branches that are less than 3 inches in diameter.

The largest components of paper products were food soiled paper (8.8%), followed by non-recyclable paper (3.1%), and paper packaging – dry goods (2.6%).

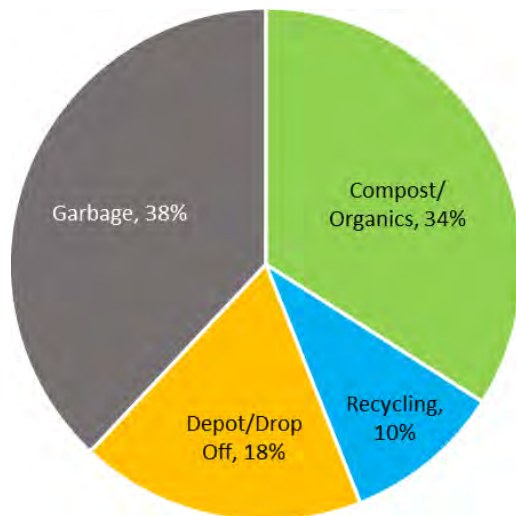
Plastic was mostly composed of other flexible plastic packaging (5.2%), durable plastic products (2.9%), film product (2.4%), film packaging – other bags and overwrap (2.4%).

For household hygiene, the largest components were disposable diapers (6.4%) and cat litter (4.6%). Other household hygiene typically consists of items such as hygiene products and animal feces.

Textiles consisted of other textiles such as towels, fabric scraps, etc. (4.8%), clothing (3%), and footwear (0.7%).

### 3.2.2 Single-Family Diversion Potential

Figure 3-4 summarizes the diversion potential in the SF garbage stream. The diversion potential represents the percentage of materials that could be diverted through composting, recycling, diversion at depots and drop off sites, other diversion programs in the regional district, such as C&D recycling or donation of reusable items, and product stewardship programs. The product stewardship programs are diversion options available in the regional district, including materials accepted at Recycle BC depots and materials managed by EPR programs.



**Figure 3-4: Diversion Potential of the SF Garbage Stream**

As shown on Figure 3-4, the total diversion potential is 62% and consists of 34% compost/organics, 18% depot/drop off, and 10% recycling materials.

The main materials that could be diverted in compost/organics programs are food waste – avoidable or donatable (17%), compostable soiled paper (9%), and food waste – unavoidable (5%).

The main materials that could be diverted through depot/drop off are primarily plastics that are only accepted at depots (8%).

The materials that could be diverted better in the recycling programs are paper packaging – dry goods (3%) and rigid plastic containers (2%).

### 3.3 Multi-Family

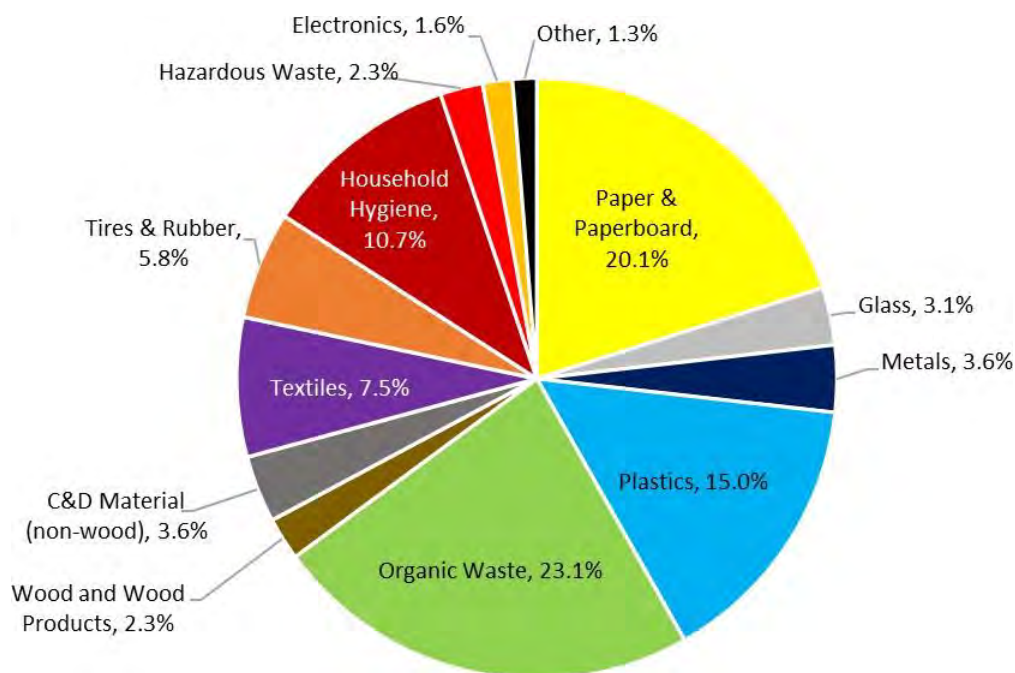
The following summarizes the waste composition results and diversion potential for MF garbage.

#### 3.3.1 Multi-Family Waste Composition Results

Figure 3-5 represents the average waste composition of the garbage stream from MF households in the regional district in September 2022. This is a snapshot of the types and relative quantities of materials that were discarded by residents at this time of the year.



MF garbage was primarily composed of organic waste (23.1%), paper products (20.1%), plastic products (15.0%), household hygiene (10.7%), textiles (7.5%), and tires and rubber (5.8%). These six primary categories represent 82.2% of the waste stream.



**Figure 3-5: Composition of the MF Garbage Stream**

For organic waste, the largest components were avoidable or donatable food waste (14.2%), unavoidable food waste (5.5%), and yard and garden waste (3.1%). Yard and garden waste includes cut flowers, yard trimmings and pine needles.

The largest component for paper and paperboard products were compostable food soiled paper (9.6%) and paper packaging – dry goods (3.0%).

Plastic was mostly composed of other flexible plastic packaging (3.3%), durable plastic products (3.1%), and film product (2.7%).

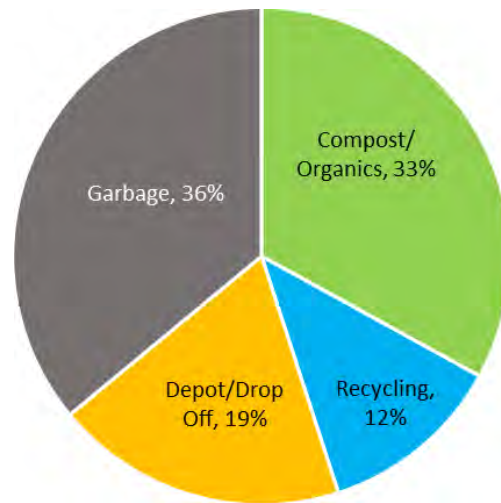
Household hygiene was mostly composed of disposal diapers (3.7%) and cat litter (3.6%).

Textiles consisted of other textiles such as towels, fabric scraps, bags etc. (4.2%) and clothing (2.7%).

Tires and rubber products consisted of vehicle tires (3.7%) and other rubber products (2.1%).

### 3.3.2 Multi-Family Diversion Potential

Figure 3-6 summarizes the diversion potential in the MF garbage stream. The diversion potential represents the percentage of materials that could be diverted through composting, recycling, diversion at depots and drop off sites, other diversion programs in the regional district, such as C&D recycling or donation of reusable items, and product stewardship programs. The product stewardship programs are diversion options available in the regional district, including materials accepted at Recycle BC depots and materials managed by EPR programs.



**Figure 3-6: Diversion Potential of the MF garbage stream**

As shown on Figure 3-6, the total diversion potential is 64% and consists of 33% compost/organics, 19% depot/drop off, and 12% recycling.

The main materials that could be diverted in compost/organics programs are food waste – avoidable or donatable (14%), compostable food soiled paper (10%), and food waste – unavoidable (6%).

The main materials that could be diverted through depot/drop off diversion programs are vehicle tires (4%) and plastics that are only accepted at depots (8%).

The main materials that could be diverted in recycling are paper packaging – dry goods (3%), printed paper (2%), and rigid plastic containers (2%).

### **3.4 Industrial, Commercial, and Institutional**

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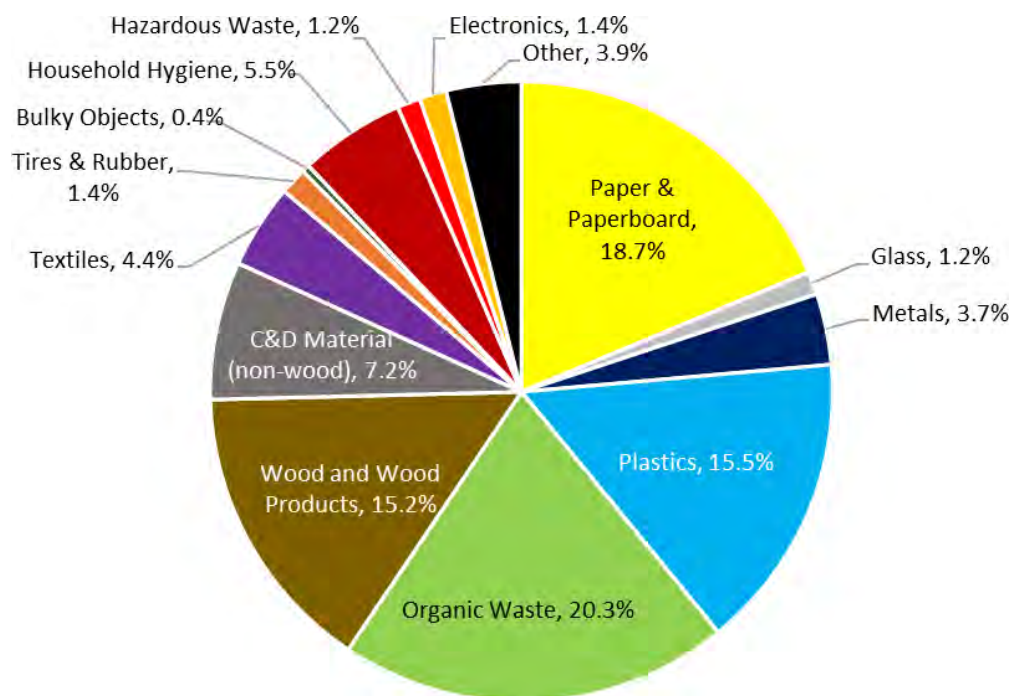
The following summarizes the waste composition results and diversion potential for the ICI sector.

#### **3.4.1 ICI Waste Composition Results**

Figure 3-7 represents the average waste composition of the garbage stream from the ICI sector in the regional district in September 2022. This is a snapshot of the types and relative quantities of materials that were discarded by commercial and institutional organizations this time of the year.



ICI garbage was primarily composed of organic waste (20.3%), paper products (18.7%), plastic products (15.5%), wood and wood products (15.2%), and C&D materials (7.2%). These five primary categories represent 76.9% of the waste stream.



**Figure 3-7: Composition of the ICI Garbage Stream**

For organic waste, the largest components were avoidable or donatable food waste (12.4%) and yard and garden waste (5.4%).

The largest components of paper and paperboard were compostable soiled paper (6.7%), followed by non-recyclable paper (4.0%), and printed paper (2.4%). Examples of non-recyclable paper are waxed cardboard, waxed paper from bakery and butcher, and laminated signage.

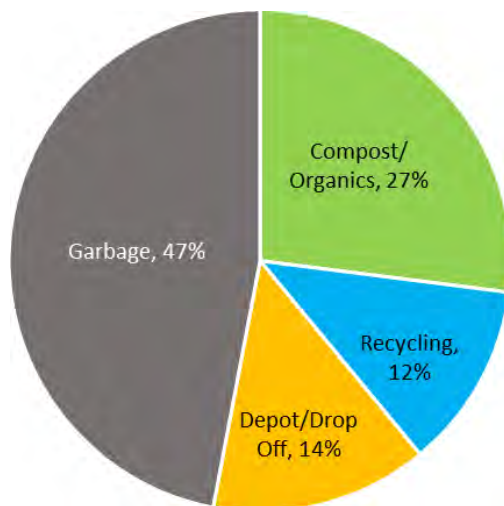
Plastic was mostly composed of durable plastic products (3.2%), other flexible plastic packaging (2.9%), film product (2.7%), rigid plastic containers (2.2%), and film packaging – other bags and overwrap (2.0%).

Wood and wood products mostly consisted of plywood and particle board (6.1%), wood furniture (3.9%), and pallets and skids (2.7%).

Non-wood C&D materials included flooring – carpet and underlay (4.6%), flooring – tile (0.7%), and drywall (0.6%).

### 3.4.2 ICI Diversion Potential

Figure 3-8 illustrates the diversion potential in the ICI garbage stream. The diversion potential represents the percentage of materials that could be diverted through composting, recycling, diversion at depots and drop off sites, other diversion programs in the regional district, such as C&D recycling or donation of reusable items, and product stewardship programs. The product stewardship programs are diversion options available in the regional district, including materials accepted at Recycle BC depots and materials managed by EPR programs. It should be noted that some EPR programs do not apply to the ICI sector. The diversion potential for the ICI sector has been calculated in the same way as for other sectors to allow for comparisons and to show the theoretical diversion potential of this waste stream.



**Figure 3-8: Diversion Potential of the ICI Garbage Stream**

As shown on Figure 3-8, the total diversion potential for the ICI waste stream is 53% and consists of 27% compost/organics material, 14% depot/drop off, and 12% recycling.

The main materials that could be diverted in compost/organics are food waste – avoidable or donatable (12%), compostable food soiled paper (7%), and yard and garden waste (5%).

The main materials that could be diverted through depot/drop off include pallets/skids (3%) and plastics that are accepted at depots – which include other flexible plastic packaging (3%), film packaging – other bags and overwrap (2%), and plastic deposit beverage containers (1%). It should be noted that the soft plastics such as other flexible plastic packaging and film packaging are not currently accepted from ICI sources.

The main materials that could be diverted in typical recycling programs are various paper materials such as corrugated cardboard, printed paper, and paper packaging (8%) and rigid plastic containers (2%).

## 3.5 Public Drop Off

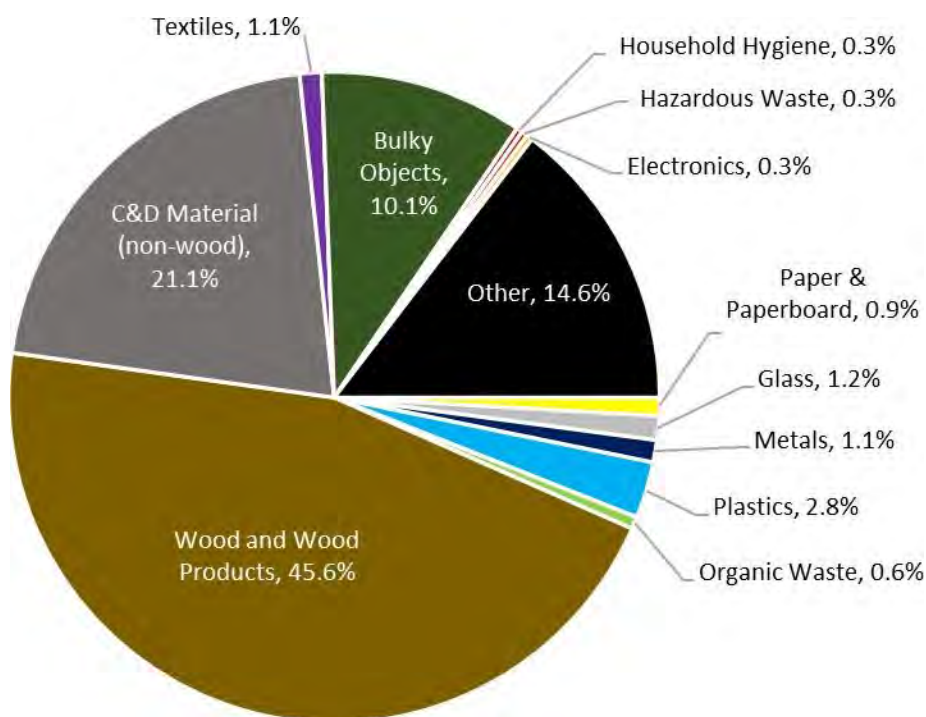
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The following summarizes the waste composition results and diversion potential for public drop off materials.

### 3.5.1 Public Drop Off Waste Composition Results

Figure 3-9 represents the average waste composition of the garbage stream from public drop off in the regional district in September 2022. This is a snapshot of the types and relative quantities of materials that were discarded by residents and/or small businesses at this time of the year.

Public drop off garbage was primarily composed of wood and wood products (45.6%), construction and demolition materials (21.1%), other (14.6%), and bulky objects (10.1%). These four primary categories represent 91.4% of the waste stream. The waste stream appears to be indicative of small-scale C&D projects.



**Figure 3-9: Composition of the Public Drop Off Garbage Stream**

For wood and wood products, the largest components were painted wood (10.5%), treated wood (9.4%), plywood/particle board (7.2%), wood furniture (7.0%), clean wood (6.5%), and pallets/skids (5.1%).

The largest components for non-wood C&D material were asphalt shingles (11.1%) and other C&D waste (6.2%), such as ceiling tiles, toilets, and doors.

The other primary category was composed solely of bagged garbage which were not sorted due to safety considerations.

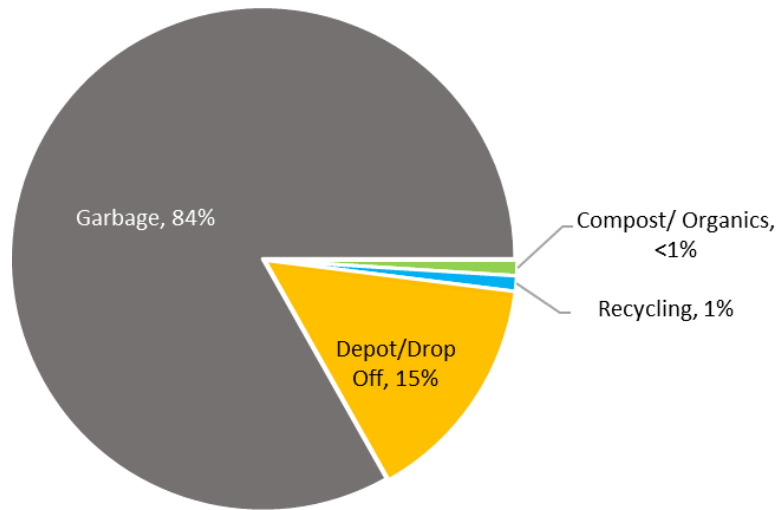
Bulky objects were found to be mainly furniture (9.2%).

### 3.5.2 Public Drop Off Diversion Potential

Figure 3-10 summarizes the diversion potential for the garbage stream from public drop off. The diversion potential represents the percentage of materials that could be diverted through composting, recycling, other diversion programs in the regional district, such as C&D recycling (e.g., drywall, concrete, asphalt, insulation, and carpet) or donation of reusable items (e.g., clothing, tools, furniture), and EPR programs.

As shown on Figure 3-10, the total diversion potential is 16% and consists of 15% depot/drop off, 1% recycling, and less than 1% compost/organics.

The main materials that could be diverted through depot/drop off include clean wood (6%) and pallets/skids (5%).



**Figure 3-10: Diversion Potential of the Public Drop Off Garbage Stream**

## 3.6 Construction and Demolition

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The following summarizes the waste composition results and diversion potential for the C&D sector.

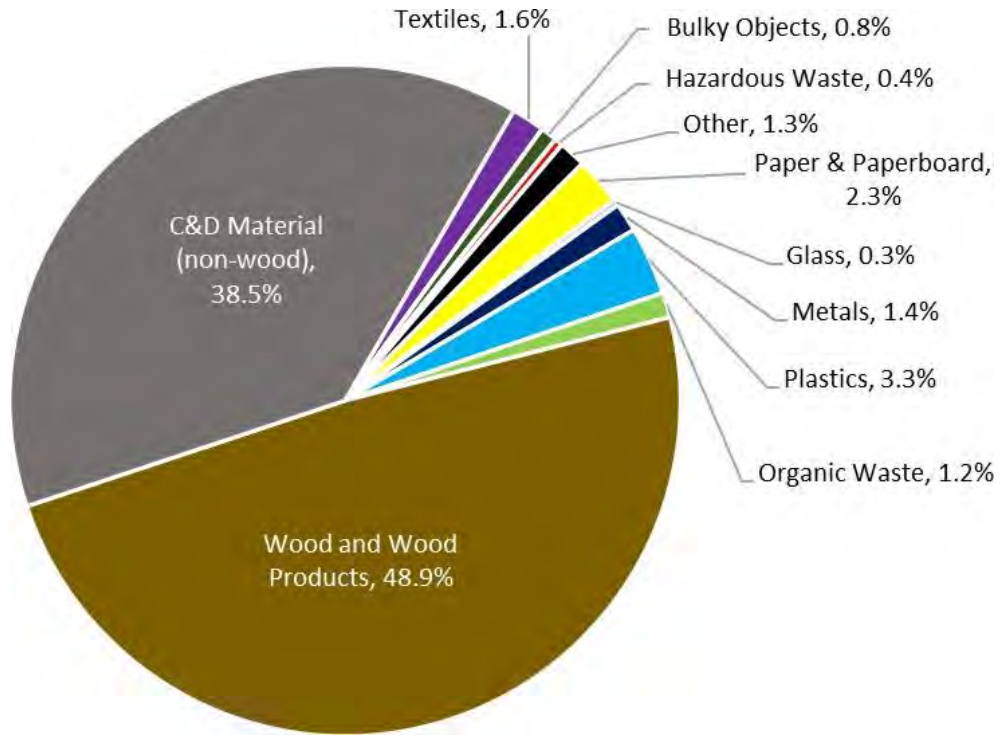
### 3.6.1 C&D Waste Composition Results

Figure 3-11 represents the average waste composition of the garbage stream from C&D in the regional district in September 2022. This is a snapshot of the types and relative quantities of materials that were discarded by this sector at this time of the year.

C&D waste was primarily composed of wood and wood products (48.9%) and C&D materials (38.5%). These two primary categories represent 87.4% of the waste stream.

The largest components for wood and wood products were treated wood (16.8%), and plywood/particle board (16.5%)

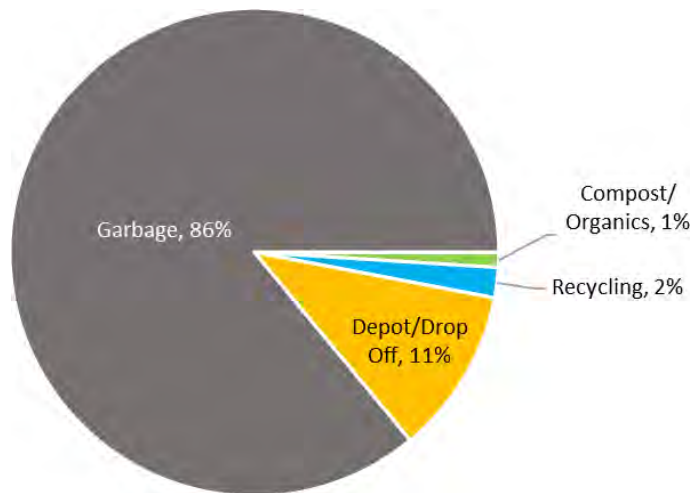
C&D materials was mostly composed of asphalt shingles (28.0%) and other C&D waste (5.1%), such as PVC pipes, insulation, vapour guard paper, and tar paper.



**Figure 3-11: Composition of the C&D Garbage Stream**

### 3.6.2 C&D Diversion Potential

Figure 3-12 summarizes the diversion potential in the C&D waste stream. The diversion potential represents the percentage of materials that could be diverted through composting, recycling, other diversion programs in the regional district, such as C&D recycling (e.g., drywall, concrete, asphalt, insulation, and carpet) or donation of reusable items (e.g., clothing, tools, furniture), and EPR programs.



**Figure 3-12: Diversion Potential of the C&D Garbage Stream**

As shown on Figure 3-12, the total diversion potential is 14% and consists of 11% depot/drop off materials, 2% recycling material, and 1% compost/organics.

The main materials that could be diverted through depot/drop off include clean wood (6%) and pallets/skids (2%).

## 4.0 WASTE DISPOSAL PER CAPITA

In 2021, CRD reported 172,886 tonnes of waste was landfilled. The population in the regional district (according to BC Stats) was 432,062.<sup>1</sup> Based on those statistics, the waste generation rate per capita and the waste disposal rate for each category were calculated and summarized in Table 4-1. For the calculations, the overall waste composition from the 2022 study was assumed to be similar to the composition of waste disposed in 2021 and used to estimate the per capita waste generation rates and waste disposal rate in 2021.

Based on the reported waste disposal tonnage in 2021 (172,886 tonnes) and estimated population (432,062), the 2021 waste generation rate was calculated to be 400 kg/capita/year. Using the waste composition data, the amount of waste generated in 2021 was estimated at 76 kg/capita of wood and wood products, followed by 67 kg of organics, 57 kg of paper and paperboard, 53 kg of non-wood C&D material, and 50 kg of plastics. These five primary categories represent 303 kg per capita per year (76%) of the estimated waste generation rate from all sectors.

**Table 4-1: Overall Waste Composition Generation at Hartland Landfill**

Primary Category	Overall Waste Composition		
	Composition (%)	2021 Estimated Waste Generation (kg/capita/year)	2021 Estimated Waste Disposal Rate (tonnes/year to landfill)
Paper and Paperboard	14.2%	57	24,547
Glass	1.6%	6	2,766
Ferrous Metals	0.3%	1	519
Non-ferrous Metals	2.7%	11	4,667
Plastics	12.6%	50	21,781
Organics	16.7%	67	28,869
Wood and Wood Products	18.9%	76	32,672
C&D (non-wood)	13.3%	53	22,991
Textiles	5.1%	20	8,816
Tires	1.5%	6	2,593
Bulky Objects	0.7%	3	1,210
Household Hygiene	6.8%	27	11,755
Hazardous Wastes	1.6%	6	2,766
Electronics	1.1%	4	1,902
Other	2.9%	12	5,013
<b>Total (Estimated) 2021</b>		<b>400</b>	<b>172,886</b>

<sup>1</sup> <https://bcstats.shinyapps.io/popApp/>



## 5.0 COMPARISON TO PREVIOUS RESULTS

The following compares the composition and amount of materials disposed at Hartland Landfill to previous studies. Table 5-1 summarizes the estimated amount of waste received at Hartland Landfill in 2016 and 2021. The estimated population of the CRD was 378,232 in 2016 and 432,062 in 2021. The proportion of waste disposed by each sector remained relatively consistent between 2016 and 2022. Compared to 2016, the proportion of ICI waste in 2022 decreased by 5% while the proportion of C&D waste increased by 7%. The increase in C&D waste may be due to the closure of Highest Landfill in 2021, which redirected more C&D waste to Hartland Landfill.

**Table 5-1: Comparison of the Amount of Waste Received at Hartland Landfill in 2016 and 2021**

Sector	2016		2021	
	Estimated Amount (tonnes)	Proportion of Waste Disposed	Estimated Amount (tonnes)	Proportion of Waste Disposed
SF	33,750	25%	41,838	24%
MF	17,550	13%	23,167	13%
ICI	55,350	41%	61,893	36%
DO	6,750	5%	6,743	4%
C&D	21,600	16%	39,245	23%
<b>Total</b>	<b>135,000</b>	<b>100%</b>	<b>172,886</b>	<b>100%</b>

A historical comparison of the waste composition results and calculated waste disposal per capita by primary material category from 2016 to 2022 are provided in the following tables and graphs. This information can be used to help evaluate how waste reduction and diversion programs are affecting the quantity and proportion of materials disposed at Hartland Landfill. Historical data was obtained from the previous waste composition reports and the historic data from 2001, 2004, 2010, and 2016 was reorganized to reflect the new category alignments used in the 2022 waste composition study.

Waste composition results are presented as the relative percentages of each material in the garbage, with all categories adding up to a total of 100%. Waste composition studies reveal one moment in time (a snapshot). One study does not directly indicate progress in reduction or re-use or recycling of materials. Comparison to repeated studies over several years using the same approach is used to determine the changing patterns or trends in the waste composition. Table 5-2 compares the overall composition from the 2009/2010 and 2016 studies to this study.

The most significant difference in the waste composition from 2016 to 2022, was an increase of 6.6% in C&D (non-wood) and a decrease of 4.4% in organics waste. Also of note was non-ferrous metals that went up by 2.0%. All other changes were +/- 2.0% or less. There have been some minor changes in categories for each study, and some items that would have been classified as other, are now separated into bulky objects.



**Table 5-2: Comparison to Historic Waste Composition at Hartland Landfill**

Primary Category	2009/2010 <sup>1</sup>	2016	2022	Change (2016 to 2022)
	Weighted Average Composition (%)			
Paper and Paperboard	15.5%	15.4%	14.2%	-1.2%
Glass	1.9%	1.7%	1.6%	-0.1%
Ferrous Metals	2.3%	1.8%	0.3%	-1.5%
Non-ferrous Metals	0.6%	0.7%	2.7%	2.0%
Plastics	12.5%	14.3%	12.6%	-1.7%
Organics	27.7%	21.1%	16.7%	-4.4%
Wood and Wood Products	12.2%	17.0%	18.9%	1.9%
C&D (non-wood)	7.4%	6.7%	13.3%	6.6%
Textiles	5.3%	5.9%	5.1%	-0.8%
Tires	0.7%	0.8%	1.5%	0.7%
Bulky Objects	0.6%	1.3%	0.7%	-0.6%
Household Hygiene	8.9%	6.9%	6.8%	-0.1%
Hazardous Wastes	0.7%	1.8%	1.6%	-0.2%
Electronics	1.8%	1.8%	1.1%	-0.7%
Other	1.9%	2.7%	2.9%	0.2%

<sup>1</sup>The categories from the 2009/2010 waste composition study were reorganized and recalculated to allow for direct comparison with the 2016 and 2022 results

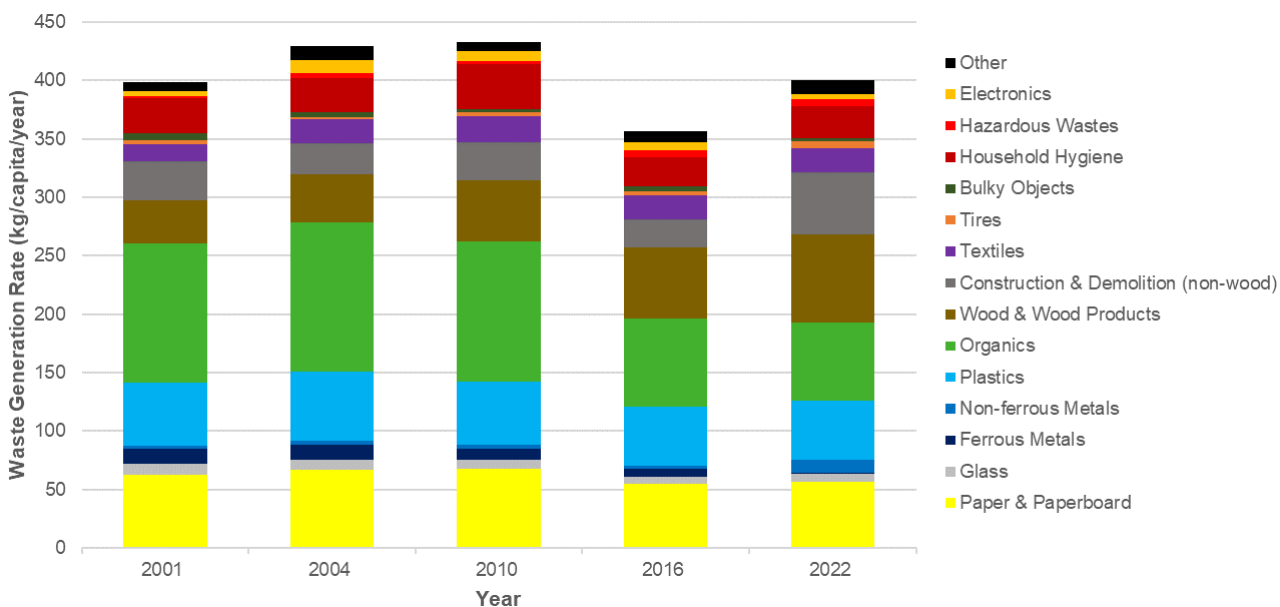
To further evaluate the change in the waste arriving at Hartland Landfill, the waste composition results were used to calculate the waste generation rates by primary material category and are outlined in Table 5-3. The annual waste generation rate is the total quantity of waste landfilled at Hartland Landfill each year. The analysis combining both the quantity and composition allows for detailed analysis of changes in the quantities of certain material categories that are being disposed over time and can be visually represented with bar charts showing both the changing composition and waste generation rate simultaneously (Figure 5-1).

**Table 5-3: Comparison to Historic Waste Generation Rates at Hartland Landfill**

Primary Category	Annual Waste Generation Rate (kg/capita)				
	2001 <sup>1</sup>	2004 <sup>1</sup>	2009/2010 <sup>1,2</sup>	2016	2021
Paper and Paperboard	62	67	67	55	57
Glass	9	9	8	6	6
Ferrous Metals	13	12	10	6	1
Non-ferrous Metals	3	4	3	2	11
Plastics	54	59	54	51	51
Organics	119	128	120	75	67
Wood and Wood Products	37	41	53	61	76
C&D (non-wood)	33	27	32	24	53
Textiles	15	20	23	21	20
Tires	3	2	3	3	6
Bulky Objects	6	4	3	4	3
Household Hygiene	30	29	38	25	27
Hazardous Wastes	1	5	3	6	7
Electronics	4	11	8	6	4
Other	8	12	8	10	12
<b>Total</b>	<b>399</b>	<b>429</b>	<b>433</b>	<b>357</b>	<b>400</b>

<sup>1</sup>The categories from the 2001, 2004, and 2009/2010 waste composition study were reorganized and recalculated to allow for direct comparison with the 2016 results.

<sup>2</sup>The 2009/2010 kg/capita was recalculated to include the tonnage of waste that arrived at the Highest Landfill. No tonnage data is available for Highest Landfill in 2001 and 2004.



**Figure 5-1: Comparison of Historic Waste Generation Rates at Hartland Landfill**

Trends observed in the per capita waste generation include:

- From 2016 to 2022, C&D materials (non-wood) in the waste composition increased by 29 kg/capita (6.6%) and wood and wood products increased by 15 kg/capita (1.9%). This could be indicative of the real estate market in the early part of 2022. The closure of Highwest Landfill in 2021 may have also led to an increase in the amount of C&D materials received at Hartland Landfill.
- From 2016 to 2022, organics in the waste composition decreased by 8 kg/capita (4.4%). This change is likely due to the implementation and uptake of organics diversion programs in the region. This is a continuation of the trend that was observed from 2010 to 2016, where the percentage of organics in the waste composition decreased by 6.6%.
- The total amount of metals (i.e., ferrous and non-ferrous metals) has been relatively consistent; however, in 2022, the percentage of ferrous metals decreased while the percentage of non-ferrous metals increased compared to historic trends. In the 2022 study, the primary categories of ferrous metals and non-ferrous metals were combined into one primary category (i.e., metals). As a result, there was only one secondary category for other metals, which was designated as part of the non-ferrous metals for the purposes of the historical comparisons. This change in the categorization of ferrous and non-ferrous metals may have led to the observed difference.
- The total amount of textiles has been relatively consistent since 2001, fluctuating between 15 and 23 kg/capita and a total of 21 kg/capita calculated in 2022.
- The total amount of all other materials is relatively consistent compared to previous years and is within the expected variation for the results of the study from year to year.

## 6.0 SINGLE-USE ITEMS

SUIs were assessed in the SF, MF, and ICI waste samples. The types of SUIs were weighed and individually counted. Descriptions of all SUIs analyzed is included in Appendix B.

SUIs comprised 1% to 2% of the waste stream – depending on the sector. Total percentages by sector are presented in Table 6-1.

**Table 6-1: Percent Weight of SUIs By Sector**

SUI Item	SF	MF	ICI
Plastic Checkout Bags	0.24%	0.13%	0.10%
Plastic Cutlery	0.08%	0.12%	0.21%
Plastic Ring Carriers	0.11%	0.05%	0.06%
Plastic Stir Sticks	0.00%	0.01%	0.02%
Plastic Straws	0.06%	0.05%	0.07%
Plastic Food Service Ware	0.57%	0.68%	1.48%
<b>Total</b>	<b>1.05%</b>	<b>1.04%</b>	<b>1.94%</b>

Table 6-2 represents the average count of SUIs per category per 100 kg sample. The number of each SUI varied between samples. In general, the number SUIs per sample were less in SF stream than in the ICI stream; however, the number of SUI varied greatly between samples and sector. For example, Tetra Tech counted between 26 to 607 plastic food service wares in individual samples in the ICI sector compared to 12 to 66 in the SF sector.




**Table 6-2: Average Count of SUI per 100 kg of Sample**


SUI Item	SF	MF	ICI
Plastic Checkout Bags	15.2	8.9	7.8
Plastic Cutlery	13.6	24.0	58.3
Plastic Ring Carriers	7.8	3.2	2.2
Plastic Stir Sticks	0.4	0.1	5.0
Plastic Straws	7.9	14.2	18.9
Plastic Food Service Ware	38.5	66.8	156.4
<b>Total</b>	<b>83.4</b>	<b>117.1</b>	<b>248.6</b>





## 7.0 INTERESTING FINDS

Table 7-1 lists some of the notable, unexpected, and unusual materials found during the waste composition study. These materials may not necessarily skew the results as it is not atypical to have these types of materials present in the various waste sectors and streams.

**Table 7-1: List of Uncommon Materials Found During This Study**

Sector (Generator)	Sample ID	Description	Photo
ICI	FA22-ICI-G-01	Food service ware	
ICI	FA22-ICI-G-15	Oil and antifreeze	
ICI	FA22-ICI-G-16	Pharmaceuticals	

Sector (Generator)	Sample ID	Description	Photo
ICI	FA22-ICI-G-19	Vacuum	
ICI	FA22-ICI-G-20	Warming trays	
ICI	FA22-ICI-G-22	Fish slider	
MF	FA22-MF-G-06	Computer monitor	
MF	FA22-MF-G-07	Truck tires	
MF	FA22-MF-G-09	Drywall	
MF	FA22-MF-G-09	Paint	

Sector (Generator)	Sample ID	Description	Photo
SF	FA22-SF-G-03	Syringes	
SF	FA22-SF-G-05	Unopened beverages	
SF	FA22-SF-G-08	Pharmaceuticals	
SF	FA22-SF-G-17	Insulation	

## 8.0 CLOSURE

We trust this document meets your present requirements. If you have any questions or comments, please contact the undersigned.

Respectfully submitted,  
Tetra Tech Canada Inc.



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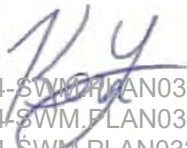
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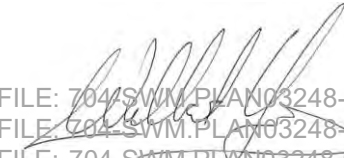
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## APPENDIX A

### TETRA TECH'S LIMITATIONS ON THE USE OF THIS DOCUMENT

# LIMITATIONS ON USE OF THIS DOCUMENT

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In certain instances, the discovery of hazardous substances or conditions and materials may require that regulatory agencies and other persons be informed and the client agrees that notification to such bodies or persons as required may be done by TETRA TECH in its reasonably exercised discretion.

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## APPENDIX B

### MATERIAL CATEGORIES

**Table B-1: Material Category**

#	Category	Description and/or Examples	Diversion Potential	Density (kg/yd <sup>3</sup> )
<b>1</b>	<b>Paper and Paperboard</b>			
01	Newsprint	<ul style="list-style-type: none"> <li>Newsprint</li> </ul>	Recycling	146.82
02	Printed paper	<ul style="list-style-type: none"> <li>Magazines and mixed recyclable paper</li> <li>Fine paper</li> </ul>	Recycling	146.82
03	Corrugated cardboard	<ul style="list-style-type: none"> <li>Corrugated cardboard</li> <li>Pizza boxes</li> </ul>	Recycling	33.88
04	Paper packaging – dry goods	<ul style="list-style-type: none"> <li>Boxboard</li> <li>Brown Kraft paper, including bags</li> </ul>	Recycling	33.88
05	Paper packaging - liquids	<ul style="list-style-type: none"> <li>Paper cups</li> <li>Gabletop cartons – non-beverage/deposit (e.g., cream, half, and half, etc.)</li> <li>Aseptic boxes – non-beverage/deposit</li> </ul>	Recycling	22.73
06	Paper beverage containers – deposit	<ul style="list-style-type: none"> <li>Gabletop cartons – juice, pop, milk, and plant-based substitutes, etc.</li> <li>Aseptic boxes – juice, pop, milk, and plant-based substitutes, etc.</li> </ul>	Depot/Drop Off	22.73
07	Non-recyclable paper	<ul style="list-style-type: none"> <li>Other paper (non-recyclable and non-compost/organics)</li> <li>Waxed corrugated cardboard</li> </ul>	Garbage	146.82
08	Compost/organics soiled paper	<ul style="list-style-type: none"> <li>Tissue paper, paper towels, napkins</li> <li>Paper straws</li> <li>Unlined paper takeout containers</li> </ul>	Compost/Organics	210.45
<b>2</b>	<b>Glass</b>			
09	Glass beverage containers – deposit	<ul style="list-style-type: none"> <li>Beverage containers – alcoholic</li> <li>Beverage containers – non-alcoholic</li> </ul>	Depot/Drop Off	172.73
10	Glass containers	<ul style="list-style-type: none"> <li>Food containers</li> <li>Other glass containers</li> </ul>	Recycling	172.73
11	Other glass	<ul style="list-style-type: none"> <li>Plates, cups, mirrors, window glass</li> </ul>	Garbage	172.73
<b>3</b>	<b>Metals</b>			
12	Ferrous metal beverage containers – deposit	<ul style="list-style-type: none"> <li>Beverage containers – alcoholic</li> <li>Beverage containers – non-alcoholic</li> </ul>	Depot/Drop Off	20.91
13	Non-ferrous metal beverage containers – deposit	<ul style="list-style-type: none"> <li>Beverage containers – alcoholic</li> <li>Beverage containers – non-alcoholic</li> </ul>	Depot/Drop Off	20.91
14	Ferrous metal food containers	<ul style="list-style-type: none"> <li>Steel, iron containers</li> </ul>	Recycling	102.27
15	Non-ferrous metal food containers	<ul style="list-style-type: none"> <li>Aluminum containers</li> <li>Aluminum foil</li> </ul>	Recycling	102.27
16	Other metal	<ul style="list-style-type: none"> <li>Other ferrous and non-ferrous metals</li> </ul>	Garbage	102.27
<b>4</b>	<b>Plastics</b>			
17	Plastic beverage containers – deposit	<ul style="list-style-type: none"> <li>#1 – deposit bottles/jugs</li> <li>#2 HDPE – milk jugs</li> <li>Other bottles/jugs – deposit</li> </ul>	Depot/Drop Off	18.36
18	NULL (combined with #17)			
19	Rigid plastic containers	<ul style="list-style-type: none"> <li>#1 other food containers (non-SUI), dish soap, cooking oil</li> </ul>	Recycling	18.36

#	Category	Description and/or Examples	Diversion Potential	Density (kg/yd <sup>3</sup> )
		<ul style="list-style-type: none"> <li>▪ #2 – shampoo, etc.</li> <li>▪ #3 – lotions, soap, etc.</li> <li>▪ #4,5,7 – ketchup, etc.</li> <li>▪ #6 rigid packaging – seed trays</li> <li>▪ Other rigid containers and lids – ice cream, yogurt</li> <li>▪ All other (blister package, plant pots, deodorant)</li> <li>▪ Large pails and lids</li> </ul>		
20	Rigid plastic containers – expanded polystyrene (white)	<ul style="list-style-type: none"> <li>▪ #6 foam packaging – meat trays etc.</li> </ul>	Depot/Drop Off	14.55
21	Packaging – expanded polystyrene	<ul style="list-style-type: none"> <li>▪ Foam cushion packaging</li> <li>▪ Expanded foam</li> </ul>	Garbage	14.55
22	Film packaging – other bags and overwrap	<ul style="list-style-type: none"> <li>▪ Non-carry out bags (bread, produce bags)</li> <li>▪ Overwrap, cling wraps</li> <li>▪ Commercial wraps</li> </ul>	Depot/Drop Off	15.91
23	Other flexible plastic packaging	<ul style="list-style-type: none"> <li>▪ Stand-up and sipper lock pouches (e.g., fruit, grated cheese, baby food)</li> <li>▪ Crinkly wrappers and bags (e.g., chip bags, cereal bags, snack/chocolate bar wrapper)</li> <li>▪ Woven and net plastic bags (e.g., avocados, oranges, rice)</li> <li>▪ Flexible packaging with plastic seal (e.g., fresh pasta, deli meat)</li> <li>▪ Non-food protective packaging (e.g., shipping envelopes, bubble wrap)</li> </ul>	Depot/Drop Off	15.91
24	Film product	<ul style="list-style-type: none"> <li>▪ Garbage bags</li> <li>▪ Tarps</li> </ul>	Garbage	15.91
25	Durable plastic products	<ul style="list-style-type: none"> <li>▪ Non-packaging plastic products (e.g., CDs, toys, lawn chairs)</li> </ul>	Garbage	15.91
26	Compost/organics plastics	<ul style="list-style-type: none"> <li>▪ Non-SUI plastics, marked compost/organics</li> </ul>	Garbage	15.91
27	Single-use plastics – checkout bags		Depot/Drop Off	15.91
28	Single-use plastics – cutlery		Garbage	11.68
29	Single-use plastics – ring carriers	<ul style="list-style-type: none"> <li>▪ Six-pack rings</li> </ul>	Garbage	11.68
30	Single-use plastics – stir sticks		Garbage	11.68
31	Single-use plastics – straws		Garbage	11.68
32	Single-use plastics – food service ware	<ul style="list-style-type: none"> <li>▪ Any clamshell container; lidded container; box; cup; plate; bowl designed for serving or transporting food or beverage that is ready to be consumed without any further preparation</li> </ul>	Recycling	18.36
<b>5</b>	<b>Organic Waste</b>			
33	Food waste – unavoidable	<ul style="list-style-type: none"> <li>▪ Waste from food/drink preparation that is not edible (bones, cartilage, etc.)</li> </ul>	Compost/Organics	210.45

#	Category	Description and/or Examples	Diversion Potential	Density (kg/yd <sup>3</sup> )
34	Food waste – avoidable or donatable	<ul style="list-style-type: none"> <li>Leftovers, plate scrapings, industrial, commercial, and institutional food waste that is not past the expiration date</li> <li>Unused ready-made, whole meats/fish, baked goods, deli, liquids</li> </ul>	Compost/Organics	210.45
35	Food waste – fats, oils, and grease	<ul style="list-style-type: none"> <li>Brown and yellow fats, oils, and grease</li> </ul>	Compost/Organics	210.45
36	Yard and garden waste	<ul style="list-style-type: none"> <li>Grass, leaves, branches &lt; 3 inches diameter</li> </ul>	Compost/Organics	113.64
37	Other organic waste	<ul style="list-style-type: none"> <li>Chopsticks, wooden utensils</li> <li>Wax</li> <li>Animal carcasses</li> </ul>	Compost/Organics	113.64
<b>6</b>	<b>Wood and Wood Products</b>			
38	Pallets/skids		Depot/Drop Off	76.82
39	Wood shingles		Garbage	76.82
40	Wood furniture	<ul style="list-style-type: none"> <li>&gt;80% wood</li> </ul>	Garbage	76.82
41	Clean wood	<ul style="list-style-type: none"> <li>Unpainted or untreated (dimensional lumber)</li> </ul>	Depot/Drop Off	76.82
42	Treated wood	<ul style="list-style-type: none"> <li>Stained and/or treated (creosote or CCA)</li> </ul>	Garbage	76.82
43	Painted wood	<ul style="list-style-type: none"> <li>Painted only – opaque paint</li> </ul>	Garbage	76.82
44	Plywood/particle board		Garbage	76.82
<b>7</b>	<b>Construction and Demolition Material (C&amp;D) (non-wood)</b>			
45	Drywall		Depot/Drop Off	212.27
46	Asphalt shingles		Garbage	332.27
47	Flooring – carpet and underlay		Garbage	66.82
48	Flooring – vinyl		Garbage	189.55
49	Flooring – tile		Garbage	390.91
50	Flooring – other		Garbage	189.55
51	Insulation	<ul style="list-style-type: none"> <li>Fiberglass insulation</li> </ul>	Garbage	66.82
52	Insulation – other	<ul style="list-style-type: none"> <li>Foam insulation</li> <li>Vermiculite insulation</li> </ul>	Garbage	66.82
53	Masonry		Garbage	390.91
54	Stucco/plaster		Garbage	390.91
55	Rock/sand/dirt		Garbage	390.91
56	Other C&D waste		Garbage	189.55
<b>8</b>	<b>Textiles</b>			
57	Clothing		Depot/Drop Off	68.18
58	Footwear		Depot/Drop Off	68.18
59	Other textiles	<ul style="list-style-type: none"> <li>Blankets, sheets, etc.</li> </ul>	Garbage	68.18
<b>9</b>	<b>Tires and Rubber Products</b>			
60	Vehicle tires		Depot/Drop Off	125.00
61	Other rubber products	<ul style="list-style-type: none"> <li>Gloves</li> </ul>	Garbage	125.00
<b>10</b>	<b>Bulky Objects</b>			
62	Furniture	<ul style="list-style-type: none"> <li>Furniture – composite</li> </ul>	Garbage	65.91

#	Category	Description and/or Examples	Diversion Potential	Density (kg/yd <sup>3</sup> )
63	Mattresses and box springs		Depot/Drop Off	65.91
64	Large appliances	<ul style="list-style-type: none"> <li>▪ Refrigerator, washing machine, ovens, etc.</li> </ul>	Depot/Drop Off	65.91
<b>11</b>	<b>Household Hygiene</b>			
65	Disposable diapers	<ul style="list-style-type: none"> <li>▪ Child, adult diapers</li> </ul>	Garbage	125.00
66	Feminine hygiene products		Garbage	125.00
67	Cat litter		Garbage	125.00
68	Animal feces		Garbage	125.00
69	Other household hygiene	<ul style="list-style-type: none"> <li>▪ Wipes, dental floss, Q-tips, face masks, etc.</li> </ul>	Garbage	125.00
<b>12</b>	<b>Hazardous Waste</b>			
70	Light bulbs and light fixtures	<ul style="list-style-type: none"> <li>▪ Fluorescent lighting – CFL bulbs, tubes, ballasts</li> <li>▪ Light bulbs – Incandescent, halogen, LEDs</li> <li>▪ Light fixtures</li> </ul>	Depot/Drop Off	199.09
71	Batteries – automotive	<ul style="list-style-type: none"> <li>▪ Lead acid batteries</li> </ul>	Depot/Drop Off	125.00
72	Batteries – household	<ul style="list-style-type: none"> <li>▪ Rechargeable and non-rechargeable</li> </ul>	Depot/Drop Off	125.00
73	Oil and antifreeze	<ul style="list-style-type: none"> <li>▪ Lubricating oil, including containers</li> <li>▪ Empty oil containers</li> <li>▪ Oil filters</li> <li>▪ Empty oil or antifreeze containers</li> </ul>	Depot/Drop Off	775.76
74	Extended Producer Responsibility (EPR) paints (latex and oil based)	<ul style="list-style-type: none"> <li>▪ Paints and containers under Product Care, including:               <ul style="list-style-type: none"> <li>– Latex paint, including containers</li> <li>– Empty latex paint containers</li> <li>– Oil based paint, including containers</li> <li>– Empty oil-based paint containers</li> <li>– Paint in aerosol cans</li> <li>– Paint – empty aerosol cans</li> </ul> </li> </ul>	Depot/Drop Off	775.76
75	EPR solvents and pesticides	<ul style="list-style-type: none"> <li>▪ Solvents/pesticides and containers under Product Care, including:               <ul style="list-style-type: none"> <li>– Solvents including containers (&lt;10 L) (e.g., gasoline, paint thinners, other flammable solvents)</li> <li>– Solvents – empty containers</li> <li>– Pesticides including containers</li> <li>– Pesticides – empty containers</li> </ul> </li> </ul>	Depot/Drop Off	775.76
76	Non-EPR paints	<ul style="list-style-type: none"> <li>▪ Paints and containers NOT under Product Care, including               <ul style="list-style-type: none"> <li>– Paint and containers (e.g., craft paint, automotive paint)</li> <li>– Paint – empty containers</li> <li>– Paint – aerosol cans</li> <li>– Paint – empty aerosol cans</li> </ul> </li> </ul>	Depot/Drop Off	775.76
77	Non-EPR solvents and pesticides	<ul style="list-style-type: none"> <li>▪ Solvents/pesticides NOT under Product Care, including:               <ul style="list-style-type: none"> <li>– Solvents and containers</li> <li>– Solvents – empty containers</li> <li>– Pesticides and containers</li> <li>– Pesticides – empty containers</li> </ul> </li> </ul>	Depot/Drop Off	775.76



#	Category	Description and/or Examples	Diversion Potential	Density (kg/yd <sup>3</sup> )
78	Pharmaceuticals	<ul style="list-style-type: none"> <li>Including containers</li> </ul>	Depot/Drop Off	125.00
79	Needles and sharps		Depot/Drop Off	125.00
80	Other empty aerosol cans	<ul style="list-style-type: none"> <li>Excluding aerosol cans for paints, pesticides, solvents</li> </ul>	Depot/Drop Off	102.27
81	Household hazardous waste – non-hazardous / non-EPR	<ul style="list-style-type: none"> <li>Personal care products (e.g., shampoo, makeup, soap)</li> </ul>	Garbage	125.00
82	Other hazardous waste	<ul style="list-style-type: none"> <li>Windex, Drano, Armorall</li> <li>Fertilizers</li> <li>Other relatively benign household cleaners / products (e.g., glowsticks, COVID tests, silica packs)</li> </ul>	Depot/Drop Off	125.00
<b>13 Electronics</b>				
83	TV and audio/video equipment	<ul style="list-style-type: none"> <li>Display devices (monitors/TVs)</li> <li>Vehicle audio/video</li> <li>Home audio/video</li> <li>Personal/portable audio/video</li> </ul>	Depot/Drop Off	155.91
84	Computers and peripherals	<ul style="list-style-type: none"> <li>Computers (desktop, laptop, netbook, notebook, tablet)</li> <li>Desktop computer printers, copiers, faxes</li> <li>Computer scanners</li> <li>Computer peripherals (keyboards, mice)</li> </ul>	Depot/Drop Off	160.91
85	Telephones and answering machines	<ul style="list-style-type: none"> <li>Non-cell phones and answering machines</li> </ul>	Depot/Drop Off	199.09
86	Cell phones	<ul style="list-style-type: none"> <li>Cell phones, PDAs, pagers</li> </ul>	Depot/Drop Off	199.09
87	Electronic or electrical instruments/equipment	<ul style="list-style-type: none"> <li>Includes toys</li> </ul>	Depot/Drop Off	199.09
88	Alarms and thermostats	<ul style="list-style-type: none"> <li>Alarms – smoke, carbon monoxide</li> <li>Thermostats - mercury-containing, electronic and mechanical</li> </ul>	Depot/Drop Off	199.09
89	Heating and cooling products	<ul style="list-style-type: none"> <li>Commercial</li> </ul>	Depot/Drop Off	199.09
90	Small appliances and power tools		Depot/Drop Off	199.09
91	Outdoor power equipment	<ul style="list-style-type: none"> <li>Hand-held (e.g., chain saws, garden shears, lawn blowers)</li> <li>Walk-behind (e.g., lawn mowers, snow blowers, tiller)</li> <li>Free-standing (e.g., power washers, mulchers, wood splitters)</li> </ul>	Depot/Drop Off	199.09
92	Other electronics	<ul style="list-style-type: none"> <li>Other electronics that do not fit into the categories above</li> <li>Charging cables</li> </ul>	Garbage	199.09
<b>14 Other</b>				
93	Non-distinct fines		Garbage	125.00
94	Soot/ash		Garbage	125.00
95	Bagged garbage	(For visual estimates only)	Garbage	125.00

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## APPENDIX C

### WASTE COMPOSITION RESULTS

**Table C-1: 2022 Waste Composition Results by Sector**

#	Category	SF	MF	ICI	DO	C&D	Overall
<b>1</b>	<b>Paper and Paperboard</b>	<b>17.5%</b>	<b>20.1%</b>	<b>18.7%</b>	<b>0.9%</b>	<b>2.2%</b>	<b>14.2%</b>
01	Newsprint	0.2%	0.5%	0.2%	0.0%	0.0%	0.2%
02	Printed paper	1.2%	1.8%	2.4%	0.1%	2.0%	1.8%
03	Corrugated cardboard	0.8%	1.4%	1.9%	0.3%	0.1%	1.1%
04	Paper packaging – dry goods	2.6%	3.0%	1.8%	0.5%	0.0%	1.7%
05	Paper packaging – liquids	0.5%	0.9%	1.5%	0.0%	0.0%	0.8%
06	Paper beverage containers – deposit	0.1%	0.2%	0.2%	0.0%	0.0%	0.1%
07	Non-recyclable paper	3.1%	2.7%	4.0%	0.0%	0.1%	2.6%
08	Compostable soiled paper	8.8%	9.6%	6.7%	0.0%	0.0%	5.8%
<b>2</b>	<b>Glass</b>	<b>2.5%</b>	<b>3.1%</b>	<b>1.2%</b>	<b>1.2%</b>	<b>0.3%</b>	<b>1.6%</b>
09	Glass beverage containers – deposit	0.6%	1.2%	0.5%	0.0%	0.0%	0.5%
10	Glass containers	0.7%	0.6%	0.4%	0.0%	0.0%	0.4%
11	Other glass	1.2%	1.4%	0.4%	1.2%	0.3%	0.7%
<b>3</b>	<b>Metals</b>	<b>3.2%</b>	<b>3.6%</b>	<b>3.7%</b>	<b>1.1%</b>	<b>1.4%</b>	<b>3.0%</b>
12	Ferrous metal beverage containers – deposit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13	Non-ferrous metal beverage containers – deposit	0.3%	0.3%	0.3%	0.0%	0.0%	0.2%
14	Ferrous metal food containers	0.4%	0.4%	0.3%	0.0%	0.0%	0.3%
15	Non-ferrous metal food containers	0.7%	0.5%	0.3%	0.0%	0.0%	0.3%
16	Other metal	1.8%	2.4%	2.8%	1.1%	1.4%	2.1%
<b>4</b>	<b>Plastics</b>	<b>17.5%</b>	<b>15.0%</b>	<b>15.5%</b>	<b>2.8%</b>	<b>3.3%</b>	<b>12.7%</b>
17	Plastic beverage containers – deposit	0.3%	0.3%	0.6%	0.0%	0.0%	0.3%
19	Rigid plastic containers	2.3%	2.3%	2.2%	0.0%	0.0%	1.7%
20	Rigid plastic containers – expanded polystyrene (white)	0.6%	0.3%	0.3%	0.0%	0.0%	0.3%
21	Packaging – expanded polystyrene	0.2%	0.1%	0.2%	0.0%	0.3%	0.2%
22	Film packaging – other bags and overwrap	2.4%	1.7%	2.0%	0.0%	0.0%	1.6%
23	Other flexible plastic packaging	5.2%	3.3%	2.9%	0.1%	0.0%	2.7%
24	Film product	2.4%	2.7%	2.7%	0.2%	0.1%	2.0%
25	Durable plastic products	2.9%	3.1%	3.2%	2.4%	2.9%	3.0%
26	Compostable plastics	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
27	Single-use plastics – checkout bags	0.2%	0.1%	0.1%	0.0%	0.0%	0.1%
28	Single-use plastics – cutlery	0.1%	0.1%	0.2%	0.0%	0.0%	0.1%

#	Category	SF	MF	ICI	DO	C&D	Overall
29	Single-use plastics – ring carriers	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
30	Single-use plastics – stir sticks	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
31	Single-use plastics – straws	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
32	Single-use plastics – food service ware	0.6%	0.7%	1.1%	0.0%	0.0%	0.6%
<b>5</b>	<b>Organic Waste</b>	<b>25.1%</b>	<b>23.1%</b>	<b>20.3%</b>	<b>0.6%</b>	<b>1.2%</b>	<b>16.7%</b>
33	Food waste – unavoidable	5.1%	5.5%	2.4%	0.0%	0.0%	2.8%
34	Food waste – avoidable or donatable	17.4%	14.2%	12.4%	0.0%	0.0%	10.6%
35	Food waste – fats, oils, and grease	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
36	Yard and garden waste	2.1%	3.1%	5.4%	0.6%	1.2%	3.1%
37	Other organic waste	0.4%	0.2%	0.1%	0.0%	0.0%	0.2%
<b>6</b>	<b>Wood and Wood Products</b>	<b>1.2%</b>	<b>2.3%</b>	<b>15.2%</b>	<b>45.6%</b>	<b>48.9%</b>	<b>18.9%</b>
38	Pallets/skids	0.0%	0.0%	2.7%	5.1%	2.4%	1.7%
39	Wood shingles	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
40	Wood furniture	0.0%	0.0%	3.9%	7.0%	0.0%	1.7%
41	Clean wood	0.2%	0.2%	0.4%	6.5%	6.5%	1.9%
42	Treated wood	0.3%	0.5%	1.6%	9.4%	16.8%	4.9%
43	Painted wood	0.2%	0.7%	0.5%	10.5%	6.7%	2.2%
44	Plywood/particle board	0.5%	1.0%	6.1%	7.2%	16.5%	6.5%
<b>7</b>	<b>Construction and Demolition Material (non-wood)</b>	<b>2.6%</b>	<b>3.6%</b>	<b>7.2%</b>	<b>21.1%</b>	<b>38.5%</b>	<b>13.3%</b>
45	Drywall	0.2%	1.2%	0.6%	1.2%	1.2%	0.7%
46	Asphalt shingles	0.1%	0.1%	0.4%	11.1%	28.0%	7.0%
47	Flooring – carpet and underlay	0.3%	1.3%	4.6%	1.7%	0.8%	2.1%
48	Flooring – vinyl	0.2%	0.0%	0.4%	0.0%	0.0%	0.2%
49	Flooring – tile	0.0%	0.0%	0.7%	0.0%	0.0%	0.3%
50	Flooring – other	0.0%	0.0%	0.3%	0.0%	0.5%	0.2%
51	Insulation	0.3%	0.3%	0.0%	0.1%	1.5%	0.5%
52	Insulation – other	0.1%	0.0%	0.0%	0.7%	1.3%	0.3%
53	Masonry	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%
54	Stucco/plaster	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
55	Rock/sand/dirt	0.5%	0.0%	0.0%	0.0%	0.0%	0.1%
56	Other C&D waste	0.9%	0.6%	0.2%	6.2%	5.1%	1.8%
<b>8</b>	<b>Textiles</b>	<b>8.5%</b>	<b>7.5%</b>	<b>4.4%</b>	<b>1.1%</b>	<b>1.6%</b>	<b>5.1%</b>
57	Clothing	3.0%	2.7%	1.2%	0.3%	0.0%	1.5%
58	Footwear	0.7%	0.6%	0.4%	0.0%	0.0%	0.4%
59	Other textiles	4.8%	4.2%	2.9%	0.8%	1.6%	3.1%

#	Category	SF	MF	ICI	DO	C&D	Overall
<b>9</b>	<b>Tires and Rubber Products</b>	<b>0.9%</b>	<b>5.8%</b>	<b>1.4%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>1.5%</b>
60	Vehicle tires	0.1%	3.7%	0.0%	0.0%	0.0%	0.5%
61	Other rubber products	0.9%	2.1%	1.4%	0.0%	0.0%	1.0%
<b>10</b>	<b>Bulky Objects</b>	<b>0.1%</b>	<b>0.0%</b>	<b>0.4%</b>	<b>10.1%</b>	<b>0.8%</b>	<b>0.7%</b>
62	Furniture	0.0%	0.0%	0.4%	9.2%	0.5%	0.6%
63	Mattresses and box springs	0.1%	0.0%	0.0%	0.9%	0.3%	0.1%
64	Large appliances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>11</b>	<b>Household Hygiene</b>	<b>14.2%</b>	<b>10.7%</b>	<b>5.4%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>6.8%</b>
65	Disposable diapers	6.4%	3.7%	3.7%	0.3%	0.0%	3.4%
66	Feminine hygiene products	0.9%	0.9%	0.3%	0.0%	0.0%	0.4%
67	Cat litter	4.6%	3.6%	0.4%	0.0%	0.0%	1.7%
68	Animal feces	1.4%	1.1%	0.5%	0.0%	0.0%	0.7%
69	Other household hygiene	0.9%	1.4%	0.6%	0.0%	0.0%	0.6%
<b>12</b>	<b>Hazardous Waste</b>	<b>3.3%</b>	<b>2.3%</b>	<b>1.2%</b>	<b>0.4%</b>	<b>0.4%</b>	<b>1.7%</b>
70	Light bulbs and light fixtures	0.2%	0.2%	0.2%	0.4%	0.2%	0.2%
71	Batteries – automotive	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
72	Batteries – household	0.3%	0.1%	0.1%	0.0%	0.0%	0.1%
73	Oil and antifreeze	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
74	Extended Producer Responsibility (EPR) paints (latex and oil based)	0.3%	0.1%	0.1%	0.0%	0.0%	0.1%
75	EPR solvents and pesticides	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%
76	Non-EPR paints	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
77	Non-EPR solvents and pesticides	0.1%	0.1%	0.1%	0.0%	0.0%	0.1%
78	Pharmaceuticals	0.5%	0.2%	0.1%	0.0%	0.0%	0.2%
79	Needles and sharps	0.1%	0.1%	0.0%	0.0%	0.0%	0.1%
80	Other empty aerosol cans	0.2%	0.1%	0.1%	0.0%	0.0%	0.1%
81	Household hazardous waste – non-hazardous / non-EPR	0.6%	0.4%	0.1%	0.0%	0.0%	0.2%
82	Other hazardous waste	1.0%	0.9%	0.4%	0.0%	0.2%	0.5%
<b>13</b>	<b>Electronics</b>	<b>1.5%</b>	<b>1.6%</b>	<b>1.4%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>1.1%</b>
83	TV and audio/video equipment	0.2%	0.0%	0.4%	0.3%	0.0%	0.2%
84	Computers and peripherals	0.0%	0.6%	0.5%	0.0%	0.0%	0.3%
85	Telephones and answering machines	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
86	Cell phones	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
87	Electronic or electrical instruments/equipment (including toys)	0.1%	0.1%	0.0%	0.0%	0.0%	0.1%
88	Alarms and thermostats	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

#	Category	SF	MF	ICI	DO	C&D	Overall
89	Heating and cooling products	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
90	Small appliances and power tools	0.7%	0.4%	0.3%	0.0%	0.0%	0.3%
91	Outdoor power equipment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
92	Other electronics	0.4%	0.5%	0.2%	0.0%	0.0%	0.2%
<b>14</b>	<b>Other</b>	<b>1.9%</b>	<b>1.2%</b>	<b>3.8%</b>	<b>14.6%</b>	<b>1.3%</b>	<b>2.9%</b>
93	Non-distinct fines	1.7%	1.1%	0.8%	0.0%	0.2%	0.9%
94	Soot/ash	0.2%	0.1%	0.0%	0.0%	0.0%	0.1%
95	Bagged garbage	n/a	n/a	3.0%	14.6%	1.1%	1.9%

SF – Single family  
 MF – Multi family  
 ICI – Industrial, Commercial, and Institutional  
 DO – Public Drop Off  
 C&D – Construction and Demolition

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## APPENDIX D

### SELECTED PHOTOGRAPHS





**Photo 1: Skid steer operator collecting a sample from a tipped load**



**Photo 2: Field staff manually sorting a sample**





**Photo 3: Example of a 100 kg sample from the single family (SF) sector**



**Photo 4: Example of a 100 kg sample from the multi-family (MF) sector**





**Photo 5: Example of a 100 kg sample from the industrial, commercial, and institutional (ICI) sector**



**Photo 6: Example of a load from the public drop-off (DO) sector**



**Photo 7: Example of a load from the construction and demolition (C&D) sector**



**Photo 8: Example of printed paper**





**Photo 9: Example of paper packaging – dry goods**



**Photo 10: Example of non-recyclable paper**



**Photo 11: Example of compostable soiled paper**



**Photo 12: Example of glass deposit beverage containers**





**Photo 13: Example of non-ferrous metal food containers**



**Photo 14: Example of other metal**





**Photo 15: Example of rigid plastic containers**



**Photo 16: Example of other flexible plastic packaging**



**Photo 17: Example of durable plastics products**



**Photo 18: Example of single-use plastics – food service ware**





**Photo 19: Example of unavoidable food waste**



**Photo 20: Example of avoidable food waste**



**Photo 21: Example of yard and garden waste**



**Photo 22: Example of clean wood**





**Photo 23: Example of drywall**



**Photo 24: Example of clothing**



**Photo 25: Example of other textiles**



**Photo 26: Example of other rubber products**





**Photo 27: Example of diapers**



**Photo 28: Example of other household hygiene**



Photo 29: Example of batteries



Photo 30: Example of oil and antifreeze





**Photo 31: Example of pharmaceuticals**



**Photo 32: Example of TV and audio/video equipment**

**REPORT TO ENVIRONMENTAL SERVICES COMMITTEE  
MEETING OF WEDNESDAY, FEBRUARY 15, 2023**

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**SUBJECT**     **Recycle BC – Packaging and Printed Paper Product, Extended Producer Responsibility – Draft Program Plan**

**ISSUE SUMMARY**

To provide an update on Recycle BC's 2022 Program Plan Consultation, along with implications for the Capital Regional District (CRD).

**BACKGROUND**

Recycle BC is the Extended Producer Responsibility (EPR) stewardship agency responsible for collecting and recycling residential packaging and printed paper products (PPP) in BC under the Recycling Regulation and Environmental Management Act. Recycle BC has solicited stakeholder feedback on a proposed new PPP EPR Plan, 2023-2028 (Program Plan). Recycle BC will be reviewing feedback received through the consultation period and submitting a final plan to the Ministry of Environment and Climate Change Strategy (ENV) for review and approval.

Under the draft plan, new community eligibility criteria proposes to use population to define the recycling services and eligibility available to communities. Under this proposed criteria, two of the six Electoral Area depots in which the CRD has service agreements with Recycle BC for local provision of services – Port Renfrew and Saturna Island – would not be eligible for Recycle BC depot service funding nor Recycle BC payment of material hauling and processing costs. The current funding provided by Recycle BC to the CRD for these depots does not completely cover the costs to manage PPP in these communities (see Appendix A). Should Recycle BC's proposed community eligibility criteria be approved by the ENV, and if support for these communities is not grandfathered in, the potential funding shortfall for provision of service for residents in these communities outside of the Recycle BC system could potentially increase by \$100,000 (Port Renfrew) and upwards of \$50,000 (Saturna).

Under the proposed plan, Recycle BC proposes to actively recruit for collection partners in any community that meets the new eligibility criteria that does not currently have Integrated Recycle BC Collection Services. In the capital region, this would include Colwood, Langford, Sooke and Victoria. An analysis of the proposed new community eligibility criteria is provided as Appendix B.

The 2022 Solid Waste Stream Composition Study identifies that approximately 18% (or 11,752 tonnes for 2021) of the residential sector (both single and multi-family dwelling) material received at Hartland Landfill is regulated PPP that should be captured under Recycle BC's program. This does not account for the industrial, commercial and institutional sector PPP, which is estimated to be an additional 11,841 tonnes of the waste stream. Recycle BC's program plan targets, and activities, have a direct impact on the CRD's ability to meet per capita waste reduction targets within the Solid Waste Management Plan.

Through this lens, staff have reviewed the proposed draft program plan and provided feedback to Recycle BC, and directly to staff within the ENV tasked with plan approval. CRD staff feedback is

attached as Appendix C. Key recommendations for enhancements to Recycle BC’s draft program plan include:

- establish appropriately ambitious performance and recovery targets with consideration of solid waste management planning framework, and per capita waste diversion targets
- invest in enhanced service levels in all areas and, in particular, in an effective collection program for multi-family residents
- enhance depot services and commit to ‘grandfathering’ in service at existing depots
- provide access to provincial PPP processing and marketing for all regulated products, irrespective of community size or location
- enhance system for collection of non-curb-side materials to improve access to services and, in turn, recovery of material
- enhance streetscape programming in urban areas

**CONCLUSION**

Recycle BC has solicited stakeholder feedback on a proposed new Packaging and Printed Paper Product Extended Producer Responsibility Plan 2023-2028 (Program Plan). Recycle BC’s program plan targets, and activities, have a direct impact on the CRD’s ability to meet per capita waste reduction targets within the Solid Waste Management Plan. Staff have reviewed the proposed program plan and provided feedback to Recycle BC on the proposed draft program plan, and directly to staff within the Ministry of Environment and Climate Change Strategy (ENV) tasked with plan approval. Recycle BC will be reviewing feedback received through the consultation period and submitting a revised draft program plan to ENV for review and approval.

**RECOMMENDATION**

There is no recommendation. This report is for information only.

Submitted by:	Russ Smith, Senior Manager, Environmental Resource Management
Concurrence:	Larisa Hutcheson, P. Eng., General Manager, Parks & Environmental Services
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

**ATTACHMENTS**

- Appendix A: Continued Participation in Electoral Areas Depot Recycling Services – Staff Report to Environmental Services Committee (February 7, 2018)
- Appendix B: Depot Impacts Analysis
- Appendix C: Consultation Feedback Letter to Recycle BC from CRD (January 3, 2023)



**REPORT TO ENVIRONMENTAL SERVICES COMMITTEE  
MEETING OF WEDNESDAY, FEBRUARY 7, 2018**

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**SUBJECT**     **Continued Participation in Electoral Area Depot Recycling Services**

**ISSUE**

To seek direction with respect to the Capital Regional District's continued involvement with depot recycling services in Electoral Areas beyond April 30, 2019.

**BACKGROUND**

Formerly known as Multi Material BC, Recycle BC (RBC) has been responsible since May of 2014 for the management of residential packaging and printed papers (PPP) throughout the province of BC, including PPP materials collected in electoral areas at depots in lieu of curbside blue box service. It was at this time that an amendment to the *BC Recycling Regulation* (BCRR) came into force requiring PPP producers to assume this responsibility and RBC was formed by the affected producers as a not-for-profit stewardship agency in response to this requirement.

At its March 11, 2015 meeting, the CRD Board passed a motion directing staff to negotiate agreements with RBC and the Electoral Area depot operators to provide residential PPP depot service beginning May 1, 2015 and ending April 30, 2019 and for the CRD to cover any funding shortfall. Since execution of the May 2015 agreements, CRD staff have continued to work with depot operators to consider adjustments to service levels and a reduction of funding reliance. The resulting 2019 budgets developed by the electoral area depots show a slight decrease in depot reliance on CRD funding.

Both the agreement with RBC and contracts with the depot operators are due to expire in approximately 15 months and a decision needs to be made with regard to whether the CRD wishes to enter into new agreements with RBC and the depot operators to continue providing depot recycling services. After reviewing their current depot funding model, and consulting with depot service providers, RBC has proposed entering into a new agreement for depot collection services that would commence May 1, 2019 and expire on December 31, 2023 using essentially the same terms and conditions that are in place under the current contract, with the exception that they are proposing to increase the \$175 per tonne fees paid for film plastic and foamed polystyrene to \$500 and \$600 per tonne respectively.

Should the CRD elect not to enter into a new agreement with RBC to continue providing Electoral Area PPP depot collection services it would need to advise RBC in writing of its intentions no less than six months prior to the expiration of the current agreement. Under the BCRR, RBC would be required to instead directly implement its own residential PPP recycling service for those areas. In discussion with RBC, they have advised it is likely that depot recycling service would be disrupted as the work is retendered by RBC and it is probable that service levels would be reduced or, on the smaller islands, discontinue entirely.

Should the CRD elect to continue providing PPP depot collection services in Electoral Areas on behalf of RBC beyond April 30, 2019, new contracts with the depots on the five Gulf Islands would need to be prepared.

## **ALTERNATIVES**

That the Environmental Services Committee recommend to the CRD Board that:

### *Alternative 1*

1. staff be directed to prepare an agreement with Recycle BC to provide residential packaging and printed paper depot collection services in the Electoral Areas on its behalf beginning May 1, 2019 and ending December 31, 2023; and
2. subject to the execution of an agreement with Recycle BC, that agreements with Electoral Area depot operators be prepared for the provision of collection services; and
3. the funding shortfall for the collection services be drawn from the 2019 and subsequent Environmental Resource Management budgets.

### *Alternative 2*

Staff be directed to serve written notice to Recycle BC that the CRD does not wish to enter into a new agreement to provide residential packaging and printed paper depot collection services for in the Electoral Areas on its behalf beyond April 30, 2019 when the current agreement expires.

## **SOCIAL IMPLICATIONS**

The Gulf Island recycling depots typically began as community initiatives by volunteers over many years, with the CRD covering operational expenses and capital costs for infrastructure. Over time these depots grew and now collect an array of recyclable materials in addition to PPP and offer a variety of reuse waste reduction alternatives as well.

Alternative 1 will maintain the status quo for service in these communities. Returning responsibility for PPP collection in Electoral Areas to RBC under Alternative 2 will likely result in service level reductions and/or disruptions which would not meet service expectations in the affected communities. Some of the depots may face outright closure. These changes would also impact seasonal visitors to these communities who make use of the island recycling depots.

## **ENVIRONMENTAL IMPLICATIONS**

Alternative 1 will ensure that recycling programs and the associated positive environmental outcomes are maintained. Returning direct responsibility for PPP depot collection in Electoral Areas to RBC under Alternative 3 will likely result in service level reductions or, on the smaller islands, a discontinuation of on island collection. This is due to the fact that RBC is committed to discharging its regulatory responsibility only and not to provide service levels beyond what is mandated.

## **ECONOMIC IMPLICATIONS**

In 2017, the net cost to the CRD to provide Electoral Area depot collection services was \$432,859 as outlined in Appendix A. For Alternative 1, estimated costs and revenues for 2019 are also provided in Appendix A using the increased RBC rates for film and polystyrene collection. Alternative 2 would pose no cost to the CRD.

**CONCLUSION**

Recycle BC and the CRD have worked together successfully since May of 2014 to provide residential depot recycling services in the capital region. Recycle BC is proposing to continue this mutually beneficial relationship through a new service agreement that would be in effect from May 1, 2019 to December 31, 2023 and that would see depot collection of residential PPP in Electoral Areas maintained.

**RECOMMENDATIONS**

That the Environmental Services Committee recommend to the Board that:

1. staff be directed to prepare an agreement with Recycle BC to provide residential packaging and printed paper depot collection services in the Electoral Areas on its behalf beginning May 1, 2019 and ending December 31, 2023; and
2. subject to the execution of an agreement with Recycle BC, that agreements with Electoral Area depot operators be prepared for the provision of collection services; and
3. the funding shortfall for the collection services be drawn from the 2019 and subsequent Environmental Resource Management budgets.

Submitted by:	Russ Smith, Senior Manager, Environmental Resource Management
Concurrence:	Larisa Hutcheson, P.Eng., General Manager, Parks & Environmental Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

TW:ac

Attachment: Appendix A – Electoral Area Depot Packaging and Printed Paper Collection Cost Data

**ELECTORAL AREA DEPOT PACKAGING AND PRINTED PAPER  
COLLECTION COST DATA**

<b>2017 COSTS AND REVENUES</b>				
<b>Depot</b>	<b>Payments From RBC</b>	<b>CRD Payments to Depot</b>	<b>Net Cost to CRD</b>	<b>Percent Funded by RBC</b>
Salt Spring Island	\$59,975	\$246,036	\$186,061	24%
Pender Island	\$15,925	\$88,204	\$72,278	18%
Mayne Island	\$13,270	\$71,948	\$58,679	18%
Galiano Island	\$11,189	\$95,911	\$84,722	12%
Saturna Island	\$2,099	\$20,329	\$18,229	10%
Port Renfrew	\$2,111	\$15,000	\$12,889	14%
<b>TOTAL</b>	<b>\$104,569</b>	<b>\$537,428</b>	<b>\$432,859</b>	<b>19%</b>

<b>2019 PROJECTED COSTS AND REVENUES</b>				
<b>Depot</b>	<b>Estimated Payments From RBC<sup>1</sup></b>	<b>CRD Payments to Depot<sup>2</sup></b>	<b>Net Cost to CRD</b>	<b>Percent Funded by RBC</b>
Salt Spring Island	\$69,394	\$250,981	\$181,587	28%
Pender Island	\$17,722	\$89,977	\$72,254	20%
Mayne Island	\$14,679	\$73,395	\$58,716	20%
Galiano Island	\$12,620	\$97,839	\$85,218	13%
Saturna Island	\$2,406	\$20,737	\$18,332	12%
Port Renfrew <sup>3</sup>	\$2,196	\$15,000	\$12,804	15%
<b>TOTAL</b>	<b>\$119,017</b>	<b>\$547,929</b>	<b>\$428,912</b>	<b>22%</b>

<sup>1</sup> Based on 2017 quantities of recyclable materials received and proposed 2019 Recycle BC rates.

<sup>2</sup> Includes a 1.5% inflationary adjustments on May 1, 2018 and May 1, 2019.

<sup>3</sup> The 2018 Port Renfrew budget does not include an inflationary adjustment to the \$15,000 recycling depot payment.

## Recycle BC Program Plan 2023 – 2028 Consultation

### Impact of Proposed Community Eligibility Criteria for Integrated Collection Services

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#### MUNICIPALITIES IN CAPITAL REGION

##### Central Saanich

X Does not meet criteria (>10K category) given the distance to Hartland

##### Colwood

- ✓ Meets criteria (>10K criteria) – No depot currently
- Return-to-Retailer - London Drugs Colwood (temporarily suspended due to construction)

##### Esquimalt

✓ Meets criteria (>10K category) – Current depot = Island Return-It Esquimalt

##### Highlands

X Does not meet criteria (>2K category) given the distance to Langford (10K muni)

##### Langford

✓ Meets criteria (>10K criteria) – No depot currently

##### Metchosin

X Does not meet criteria (>2K category) given the distance Colwood (10K muni)

##### North Saanich

X Does not meet criteria (>10K category) is adjacent to Sidney which has a larger population and the depot in Sidney is 0.5km from the North Saanich border

##### Oak Bay

✓ Meets criteria (>10K category) – Current depot = Oak Bay Public Works Yard

##### Saanich

- ✓ Meets criteria (> 50K category) – Current depot = Hartland Depot
- Return-to-Retailer - London Drugs Quadra
- Return-to-Retailer - London Drugs Tillicum

##### Sidney

✓ Meets criteria (>10K category) – Current depot = Sidney Bottle Depot



### **Sooke**

√ Meets criteria (>10K category) – No depot currently

### **Victoria**

- √ Meets criteria (>50K criteria) – No depot currently
- Return-to-Retailer - London Drugs Yates

### **View Royal**

X Does not meet criteria (>10K category) View Royal is adjacent to Esquimalt which has a larger population and proximity to the depot in Esquimalt

## **ELECTORAL AREAS IN CAPITAL REGION**

### **Juan de Fuca**

- X Does not meet proposed small community criteria - there is not a population of 1,000 within catchment area (30 min drive)
- Current depot = Port Renfrew Garbage and Recycling Depot

### **Salt Spring Island**

√ Meets island criteria – Current depot = Salt Spring Island Recycling Depot

### **Southern Gulf Islands**

- √ Galiano meets island criteria – Current depot = Galiano Island Recycling Depot
- √ Mayne meets island criteria – Current depot = Mayne Island Recycling Depot
- √ Pender meets island criteria – Current depot = Pender Island Recycling Depot
- X Saturna does not meet island criteria - population is under 1,000 - Current depot = Saturna Island Recycling Depot



Parks & Environmental Services T: 250.360.3000  
625 Fisgard Street, PO Box 1000 www.crd.bc.ca  
Victoria, BC, Canada V8W 2S6

January 3, 2023

File: 0220-20  
General Correspondence

Recycle BC  
405 – 221 West Esplanade  
North Vancouver, BC V7M 3J3  
Via email: [consultation@recyclebc.ca](mailto:consultation@recyclebc.ca)

Dear Sir/Madam:

**RE: PROGRAM PLAN 2023-2028 CONSULTATION**

The purpose of this letter is to present Capital Regional District (CRD) staff feedback on Recycle BC's proposed Packaging and Paper Product (PPP) Extended Producer Responsibility Plan Consultation Draft (September 29, 2022).

The CRD operates Hartland Landfill, and through the CRD's new Solid Waste Management Plan (SWMP), has set a target over the next decade to reduce the capital region's per capita annual waste disposal rate to 250 kg, a 38% reduction from current levels.

In support of this work, the CRD has recently conducted a waste composition study, which will be published in February 2023. Our results identify that approximately 18% (or 11,752 tonnes in 2021) of the residential sector material received at Hartland Landfill is regulated PPP that should be addressed under Recycle BC's stewardship plan. This does not account for the industrial, commercial and institutional sector PPP which is estimated to be an additional 11,841 tonnes of the waste stream.

To divert these recyclable materials out of the residential solid waste stream, the CRD recommends that Recycle BC's proposed EPR plan be enhanced as follows:

- 1. Establish appropriately ambitious performance and recovery targets.** The proposed targets within the draft stewardship plan don't align with the established provincial per capita waste disposal targets that Regional Districts are mandated to incorporate into Solid Waste Management Plans, and are set too low to result in improved diversion rates. The proposed EPR plan targets allow for the plan to focus efforts primarily on highly populated areas and avoid adequately addressing collection from the multi-family sector and servicing rural and remote regions of BC, including First Nations communities. The CRD suggests that by 2027, Recycle BC should be targeting >90%+ recovery rate for regulated materials.
- 2. Invest in enhanced service levels in all areas, and in particular, in an effective collection program for multi-family residents.** The proposed plan relies heavily on partnering with local governments for provision of services for residents living in multi-family buildings. However in the capital region, like many other jurisdictions in the Province, recycling services for the multi-family residents are provided primarily by the private sector. The current financial incentive-based approach doesn't respond to market realities as evidenced by low program participation in the capital region, and needs to be revised to achieve higher participation by multi-family buildings.

- 3. Maintain single family residential curbside collection, including providing adequate per household funding that meets the actual costs of collection, now and in the future.** The CRD's recently completed Request for Proposals for a post-2024 PPP collection contract identified a future per household collection cost of \$62.87, annually. The annual \$42.80 per household fee paid by Recycle BC will only cover 68% of the cost of collection. The proposed program plan doesn't identify how Recycle BC will ensure the cost of collection isn't transferred over to Regional Districts.
- 4. Enhance depot services and commit to 'grandfathering' in service at existing depots.**

  - a. New depots:** The integrated collection model proposed in the draft plan doesn't address siting depots/establishing new depots and relies on regional districts, municipalities or the private sector to shoulder the costs associated with new depot start-up. The program plan should be revised to have Recycle BC directly address the barriers to siting new depots, including costs of land acquisition and capital infrastructure.
  - b. Current depots not meeting criteria:** Under the proposed plan, the depot siting criteria excludes funding depot service in communities with less than 1,000 residents living within a 30 minute radius. This is of particular concern for two CRD depots: Saturna Island and Port Renfrew, which services both the Port Renfrew community and Pacheedaht First Nation. The CRD would like the program plan to consider how waste material is being managed in rural communities and commit to maintaining service at all existing Recycle BC depots.
- 5. Provide access to provincial PPP processing and marketing for all regulated products, irrespective of community size or location.** The proposed program plan excludes curbside and depot funding for communities of less than 1,000 people, and does not identify or allow for a modified system that bridges the gap between a system fully supported by producers and one funded fully by smaller or remote communities where collection and transport costs are higher. After Recycle BC recently suspended service in Port Renfrew (a community of approximately 300 residents), the CRD was challenged with finding processing in a system dominated by Recycle BC, and obliged to pay for 100% of processing costs for collected PPP or landfill the material. A hybrid system needs to be established, and the program plan needs to commit to providing access to PPP processing and marketing for all regulated products, even if the cost of transport must be capped in rural and remote communities.
- 6. Enhance system for collection of non-curbside materials to improve access to services and, in turn, recovery of material.** The collection of flexible plastics and foam packaging is available to capital region residents at depots on the islands and in Port Renfrew. In the urban areas, drop off is available at locations in Saanich (3), Oak Bay, as well as Esquimalt and Sidney Return-it Depots. All other communities are served by two London Drugs locations who have limited capacity to service the remaining 200,000+ residents. We are encouraged to see Integrated Recycle BC Collection Service being proposed for the City of Victoria and communities in our West Shore, not currently being serviced. An expansion of drop off opportunities for all products in urban areas will support residents in both single-family and multi-family buildings.
- 7. Enhance streetscape programming in urban areas.** We acknowledge the work that has been undertaken since 2014 to study streetscape collection and encourage Recycle BC to

**Recycle BC - January 3, 2023**  
**Program Plan 2023-2028 Consultation**

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expedite their proposed timeline for managing material from this sector as there are a number of municipalities in the capital region continuing to fully fund collection of PPP and its associated challenges with access to processing/marketing.

The CRD believes that within the context of the EPR framework, the only way to divert residential regulated packaging and paper materials from the landfill is for the PPP EPR program to establish adequate targets, provide enhanced funding that meets the operational realities and true costs of collection, and continue the collaborative relationship between stewardship agencies and regional governments.

Given the important role that EPR programs play in supporting regional districts to meet SWMP targets developed under the BC Environmental Management Act, CRD staff will also provide feedback on both the draft plan and the regulatory framework directly to staff within the Ministry of Environment & Climate Change Strategy (ENV).

The CRD looks forward to continuing the strong relationship we have forged with Recycle BC as we work together towards diverting regulated packaging and paper from the residential waste stream. Please don't hesitate to contact me to discuss in further detail any of the feedback provided by the CRD.

Best regards,



Liz Ferris  
Manager, Policy & Planning  
Environmental Resource Management, CRD

c.c. Bob McDonald, Director, Extended Producer Responsibility, ENV  
Jordan Best, Western Canada Director, Recycle BC  
Russ Smith, Senior Manager, Environmental Resource Management, CRD

## A 'Healthy Waters' project for Tod Creek on the Saanich Peninsula for CRD consideration

*A community-oriented project to deliver comprehensive water quality testing in support of healthy waters and healthy fish habitat*

Project concept submitted by Peter S. Ross, Raincoast Conservation Foundation (Sidney BC)\*

**Objective:** To conduct a risk-based evaluation of contaminants of concern in the Tod Creek watershed (Saanich Peninsula) in support of healthy fish habitat. Secondary objective: To document possible sources of contaminants of concern in the Tod Creek watershed, including Hartland landfill and local land use.

### **Background:**

The health of fish habitat in British Columbia is impacted by a complex mixture of pollutants originating from many land-based sources, including municipal wastewater, landfill leachate, industrial discharges, agro-forestry operations and nonpoint source pollutants. Monitoring, deliberation and action have been the subject of long-standing discussions on the liquid and solid waste management file in the Capital Regional District (CRD) of Victoria. The completion of the new McLoughlin Point wastewater treatment plant in 2020 effectively reduced the release of contaminants of concern to the marine receiving environment, but led to new concerns about persistent contaminants found in retained biosolids. Some of these biosolids are being deposited at the Hartland Landfill site, where community concerns linger that they may leach into local waterways.

The intent of this project is to bring the expertise of the new Raincoast *Healthy Waters* (<https://www.raincoast.org/waters/>) program to the Saanich Peninsula, build on the strength of place-based WSANEC Indigenous Knowledge, and deliver high resolution data on a wide range of Contaminants of Emerging Concern (CoC). Raincoast applied a different version of this model following the catastrophic floods of late 2021, with the report available ([Floodwater contaminants report | Raincoast Conservation Foundation](#)). A near-term objective also exists for Raincoast to build a mobile lab to bring contaminant measurements to the community ([Mobile lab | Raincoast Conservation Foundation](#)). This effort has potential to inform land use practices, riparian protections, and stewardship initiatives in the Tod Creek watershed. This project also has strong potential to generate goodwill and trust with multiple members of the CRD community and Indigenous Nations.

### **The team:**

*Scientific staff:* Raincoast Conservation Foundation will oversee the core study design, sampling protocols, analytical (lab) protocols, service lab selection, statistical evaluation, data interpretation and comparative evaluation (against other watersheds). Dr. Peter Ross, Senior Scientist and Director of *Healthy Waters*, will oversee the sampling, analysis and interpretation



in this study. Dr Ross has published over 160 scientific articles and book chapters on topics in ecotoxicology and aquatic pollution. Raincoast will deliver an interim data summary report and a final report, as well as build a comparative web-based tool to share high level findings.

*Community Advisory Team (CAT):* Membership to be determined after invitation, with the following candidates:

- Tartlip First Nation
- WSANEC Leadership Council
- Friends of Tod Creek
- Peninsula Streams
- Mt Work Coalition
- Willis Point Community Association
- Peninsula Biosolids Coalition
- Saanich Inlet Protection Society
- Butchart Gardens

The CAT will provide input into site selection, watershed features of cultural or ecological value, and land use concerns. All data, findings, and reports will be shared with the CAT.

*Funder:* Funding for this project is sought from CRD. CRD will have the opportunity to provide input into final study design, sample size and analyte list. Comparability of these data with relevant datasets from RCD programs is an important consideration. Raincoast will deliver data and reports to CRD.

### **Proposed study**

We submit here a two-step proposal to allow for rapid initial ('snapshot') evaluation, followed by a one-year seasonal ('Healthy Waters') study. Findings will be summarized in two reports reflecting this two-tiered approach, and will inform the design of subsequent monitoring designs.

This project entails

- i) the co-design of a watershed-based approach to sampling and analysing samples of surface water (and possibly biosolids and sediments) from a Saanich watershed of interest,
- ii) the generation of CoC data in conjunction with risk-based evaluations of findings using pan-Canadian Environmental Quality Guidelines and the scientific literature,
- iii) a comparative evaluation as measured against the findings from up to 10 other flagship watersheds across southern BC, and
- iv) the participation of community champions and Indigenous Nations.

Samples will be analysed using the best available laboratories and instrumental protocols, thereby providing high quality data with the best opportunity for forensic exploration. This essentially allows for a good opportunity to discern source or source sector, and delivers insights into priorities, land use, and the formulation of any additional research designs. Data

generated using proposed instrumental protocols at dedicated service labs will be used to generate signatures in support of source identification. Data interpretation will inform environmental risks. Overall results are expected to deliver a blend of answers and questions, with the latter serving to help guide the design of any more focused research questions and follow up monitoring plans.

Our principal objective is to improve water quality in and around fish habitat in coastal BC through the following deliverables:

1. The design and application of a monitoring program for community members and Indigenous partners in the selected Saanich Peninsula watershed. This training platform will offer a focal means of generating community and Indigenous technical capacity for water monitoring through training for i) water sampling techniques; ii) water analysis; and iii) solution-oriented water pollution prioritization using Canadian Environmental Quality Guidelines;
2. The preparation of a proposed list of priority water properties and contaminant analytes that captures local concerns, scientific topics of current interest, and emerging wastewater management concerns;
3. The co-design of a regimented water sampling and analysis program with protocols (safety, methods, equipment, frequency, analytes, and Quality Assurance/Quality Control [QA/QC]) that will enable a ranking of threats to the health of fish habitat;
4. *Snapshot assessment*

Community science project entailing YSI data (pH, T, DO, conductivity) and flow from selected watershed:

- a. *One-time* Tier 1: community data on temperature, salinity, pH, dissolved oxygen, and select metals using a YSI meter;
  - i. microplastic concentrations and types in partnership with Ocean Diagnostics
- b. *One-time* Tier 2: Basic water quality data from partnering lab (CARO Analytical Services):
  - i. Coliform
  - ii. nutrients
  - iii. metals
- c. *One-time* Tier 3: High resolution contaminant data at partnering labs (SGS AXYS):
  - i. Pharmaceuticals and personal care products
  - ii. Pesticides
  - iii. Perfluoro-alkyl substances (PFAS)
  - iv. high resolution hydrocarbons
  - v. wastewater tracers (sucralose)
  - vi. tire-related chemicals (6-PPD Quinone)
  - vii. alkylphenol ethoxylates
  - viii. Microplastics

5. *Healthy Waters year*

New, high value data on contaminants in fish habitat:

- a. *Weekly* Tier 1: community data on temperature, salinity, pH, dissolved oxygen, and select metals using a YSI meter and microplastics
  - b. *Quarterly* Tier 2: Basic water quality data from partnering lab (CARO Analytical Services)
  - c. *Quarterly* Tier 3: High resolution contaminant data at partnering labs (SGS AXYS)
6. A report interpreting findings in the context of Ecological risks, local land use and source identification;
  7. A comparative web-based tool that enables a relative understanding of the health of Tod Creek alongside other watersheds in southern BC;
  8. Expert support and interpretative data for community-based stewardship initiatives and relevant policies and practices for local, BC and federal agencies.

**Backgrounder (*Healthy Waters*):**

*Healthy Waters* is a program of the Raincoast Conservation Foundation. *Healthy Waters* is building on existing partnerships with, among others, the 30-member Indigenous-led Lower Fraser Fisheries Alliance (LFFA), the 16-member S'ólh Téméxw Stewardship Alliance (STSA), Parks Canada, Metro Vancouver, and DFO. We can therefore leverage this project across similar initiatives, with people, activities and data from the wider *Healthy Waters* team that add depth and breadth to the Saanich Peninsula findings.

The intent of *Healthy Waters* is to be transparent, to build a shareable dataset that allows communities to compare lessons learned, and to advance conservation and stewardship actions that are informed by water quality findings. Each place-based partnership will be built on trust, and will entail a close working relationship that provides data, advice and support to that community. We plan on building a data visualization tool akin to that of *PollutionTracker.org* which displays summary data for sediments and mussels along the coast of BC, whereby each site is sponsored by a single funder.

With this project, Tod Creek findings will benefit from outcomes at other Raincoast *Healthy Waters* watersheds in southern BC.

## Candidate partnerships for *Healthy Waters* in 2023

False Creek, Vancouver	Cowichan River VI	Pitt River LFV
Squamish River	Fulford Harbour SSI	Terminal Creek Watershed BI
Quibble Creek, Surrey	Sumas Lake watershed LFV	Somass watershed VI



While *Healthy Waters* aims at an assessment of contaminants in water, concerns about contaminants that are more likely to attach to particles argues in favour of additional analysis of sediment and biosolids samples. This may include the analysis of PCBs, PBDEs, organochlorine pesticides, Dioxins / Furans, and HBCDD.

### A) Proposed budget for *Snapshot* assessment

	Per sample	Total
Senior Scientist		0
Technician		0
Research & Communications		2,200
Safety gear		300
Data mgt & interpretation		1,200
Travel costs		600
Material & Supplies		550
Shipping		300
Tier 1 costs <sup>1</sup>		5,500
Tier 2 costs <sup>2</sup>	235 (seasonally x 5 sites)	1,175
Tier 3 costs <sup>3</sup>	5,400 (seasonally x 5 sites)	27,000
Sediments & Biosolids	3,850 (1)	3,850
Subtotal		42,675
Administration		4,268

**Total** **46,943**

**B) Proposed budget for a one-year *Healthy Waters* project – building from the Snapshot Assessment**

	Per sample	Total
Senior Scientist		0
Technician		0
Research & Communications		5,500
Safety gear		600
Data mgt & interpretation		4,000
Travel costs		2,400
Material & Supplies		1,200
Shipping		800
Tier 1 costs <sup>1</sup>		6,000
Tier 2 costs <sup>2</sup>	235 (seasonally x 5 sites)	4,700
Tier 3 costs <sup>3</sup>	5,400 (seasonally x 5 sites)	108,000
Sediments & Biosolids	3,850 (12)	46,200
Subtotal		179,400
Administration		17,940
<b>Total</b>		<b>197,340</b>

<sup>1</sup>*Tier 1*: acquisition and deployment of YSI meter for community science use (T, pH, Dissolved oxygen and conductivity). Field protocols and safety gear will be included. Raincoast team will attend / oversee where needed.

<sup>2</sup>*Tier 2*: analysis of basic contaminants of concern – Fecal coliform nutrients and metals. Raincoast team will attend.

<sup>3</sup>*Tier 3*: advanced high-resolution analysis of contaminants of concern – pharmaceuticals and personal care products, polycyclic aromatic hydrocarbons, perfluoro-alkyl substances (PFAS), pesticides, tire chemicals, sucralose and alkyl phenol ethoxylates. Tier 3 includes a total of 379 analytes per sample. Raincoast team will attend.



**Contact Peter S. Ross at [peter@raincoast.org](mailto:peter@raincoast.org)**

*\*Raincoast ([Raincoast Conservation Foundation | Informed advocacy](#)) is a team of scientists and conservationists empowered by our research to safeguard the land, waters, and wildlife of coastal British Columbia. We investigate to understand coastal species and processes. We inform by bringing science to decision-makers and communities. We inspire action to protect wildlife and wildlife habitats.*



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## REPORT TO FINANCE COMMITTEE MEETING OF WEDNESDAY, MARCH 01, 2023

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**SUBJECT**     **Capital Regional District External Grants Update**

### **ISSUE SUMMARY**

To provide committee and the Capital Regional District (CRD) Board a bi-monthly update on external grants activity for the period between December 13, 2022, through February 13, 2023.

### **BACKGROUND**

This report summarizes activities and outcomes since the CRD External Grants Update was last presented in January. The External Grants Dashboard (Appendix A) details applications submitted, updated, awarded, and declined as of 2023. Appendix B provides a summary of grant alerts for 2023.

### **IMPLICATIONS**

*Financial Implications*

#### **Grants/Contributions Awarded**

1. \$168,462 through CleanBC's Organic Infrastructure and Collection Program – Organic Processing Infrastructure to support the Salt Spring Island Composting Project. This is a partnership project between the CRD, Salt Spring Island Farmland Trust Society, Salt Spring Abattoir Society and Salt Spring Island Community Services Society.
2. \$100,000 through Salt Spring Island Foundation – Bloom Fund to support Mount Maxwell Park Land Acquisition Project.

There are an additional two grants under news embargo.

#### **Investing in Canada Infrastructure Program Application Update**

Three 2022 Investing in Canada Infrastructure Program – Environment Quality Stream applications were recently declined:

1. Juan de Fuca: Anderson Cove Water Main Extension Project, for \$1,766,905.
2. Salt Spring Island: Cedars of Tuam – New Well and Water Treatment Plant, for \$1,143,948.
3. Southern Gulf Islands: Skana Water System Storage Tank Replacement, for \$535,272.

#### **Applications Submitted**

Ten CRD applications were submitted across eight programs during the reporting period:

1. \$576,725.38 through the Province of BC's Rural Economic Diversification and Infrastructure Program – Economic Diversification stream to support the Last-mile Connectivity and Economic Development Project for the Southern Gulf Islands (SGI).
2. \$348,364 through Union of BC Municipalities' (UBCM) Community Resiliency Investment Program – 2023 FireSmart Community Funding & Supports to support the CRD FireSmart Project.
3. \$178,598.50 through UBCM's Community Emergency Preparedness Fund – 2022 Volunteer and Composite Fire Departments Equipment and Training Program Stream to support the CRD Fire Department Training and Equipment Project.
4. \$118,593.20 (total) through Employment and Social Development Canada's 2023 Canada Summer Jobs Program: three applications for 35 positions across CRD Services.
  - a. Panorama, for \$51,364.80
  - b. Sooke and Electoral Area Parks and Recreation Commission (SEAPARC), for \$42,908.40
  - c. Salt Spring Island Parks, for \$24,320.00
5. \$59,000 through BC Hydro's Sustainable Communities and Industry Partnerships Project Implementation Offer to support the Neighbourhood Energy Navigator Project.
6. \$18,000 through UBCM's Community Emergency Preparedness Fund – 2023 Emergency Support Services to support the CRD Evacuee Registration and Assistance (ERA) Team Project.
7. \$12,000 through Pacific Institute for Climate Solutions Internship Program to support the Regional Climate Projections: Understanding Current Use, Gaps and Opportunities.
8. \$7,000 through TD's Friends of the Environment Foundation to support the SGI Pender Island Parks and Recreation Commission Youth Native Tree Planting Program Project.

#### *Service Delivery Implications*

#### **New Grant Opportunities**

Eighteen grant calls (includes programs with multiple streams) were issued during the reporting period and are summarized in the table below. Appendix B details relevant active grants (as of February 13, 2023) and lists recently closed grants for 2023.

Grant	Deadline	Information
Healthy Canadians and Communities Fund – Public Health Agency of Canada	Extended to 18-Jan-23	Funding for interventions that address health inequities through three streams: <ol style="list-style-type: none"> <li>1. Creating supportive social environments for tobacco prevention and cessation.</li> <li>2. Creating food environments that enable access to healthy foods to improve healthy eating.</li> <li>3. Creating and or promoting healthy built environments to increase physical activity.</li> </ol>
ParticipACTION Community Challenge – PARTICIPACTION	01-Feb-23	Funding for community organizations to remove barriers and increase physical activity and sport participation for equity-deserving groups.
ICBC Community Grants Program – ICBC	17-Feb-23	Funding for road safety and injury recovery initiatives.
Scotts Gro for Good – Scotts Miracle-Gro	23-Feb-23	Funding to support community efforts to showcase the benefits of gardening, including encouraging healthy eating habits.
Kal Tire's RePlay Fund – Kal Tire	28-Feb-23	Funding to help cover the cost of recycled rubber products through third-party suppliers for community infrastructure projects.
Zero Emission Vehicle Awareness Initiative – Medium and Heavy Duty Stream – Natural Resources Canada	13-Mar-23	Funding for new and innovative projects that aim to increase knowledge, awareness and confidence in medium and heavy duty zero-emission or low-emission vehicles for fleet owners, drivers and the general public.
Projects Stream – Rapid Housing Initiative Round 3 – Canada Mortgage and Housing Corporation	15-Mar-23	Funding to build new housing and/or purchase existing buildings that will be rehabilitated or converted into permanent affordable housing.

Grant	Deadline	Information
Poverty Reduction Planning and Action Program – UBCM	17-Mar-23	Funding to support local governments to reduce poverty and advance the province’s poverty reduction strategy through two streams: 1. Poverty Reduction Plans and Assessments. 2. Poverty Reduction Action.
Codes Acceleration Fund – National Resources Canada	27-Mar-23	Funding to support adoption and implementation of national model building energy codes through two streams: 1. Those who have the ability to adopt energy codes. 2. Those that do not have the ability to adopt energy codes.
Building for the Future – Housing Supply Challenge: Round 4 – Impact Canada (Canada Mortgage and Housing Corporation)	13-Apr-23	Funding for activities for innovative construction processes, techniques, systems, and materials to increase affordable climate-resistant housing.
Infrastructure Planning Grant - Ministry of Municipal Affairs	12-Jul-23	Funding to help governments develop or improve long-term comprehensive plans including asset management plans, integrated stormwater management plans, etc.
Disaster Mitigation and Adaptation Fund – Infrastructure Canada	19-Jul-23	Funding for infrastructure projects designed to mitigate current and future climate-related risks and disasters triggered by natural hazards.
Capital Projects Stream – Rural Transit Solutions Fund – Infrastructure Canada	Continuous	Funding for rural and remote community capital projects to support both traditional and non-traditional transport modes and transportation systems.
Homelessness Community Action Grant – Social Planning and Research Council of British Columbia	Continuous	One-time funding for local planning and collaborative initiatives to respond to the needs of those who are homeless or at risk of becoming homeless.

**CONCLUSION**

The CRD recognizes grants are a supplementary funding source to address the needs of services provided to the region. The External Grants Update outlines how the CRD continues to integrate and consider these grant opportunities relative to service needs, as well as informing local partners of these opportunities through the Grants Dashboard and Grants Alerts. The CRD will continue to provide a summary of activities and outcomes in the External Grants Update on a bi-monthly basis.

**RECOMMENDATION**

There is no recommendation. This report is for information only.

Submitted by:	Lia Xu, MSc., CPA, CGA, Finance Manager, Local Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer




**ATTACHMENTS**

- Appendix A: 2023 External Grants Dashboard
- Appendix B: 2023 Grant Alerts



## APPENDIX A 2023 EXTERNAL GRANTS DASHBOARD

(Updated as of 13-Feb-23)

 Approved	 Pending	 Declined / Withdrawn
2	21	4
\$268,462	\$31,004,256	\$3,471,125

### 2023 Approved Grants

Department	Grant Program	Project	Amount (\$)	Year Submitted
Executive Services	CleanBC Organic Infrastructure and Collection Program – Organic Processing Infrastructure	Salt Spring Island Composting Project	168,462	2021
	Bloom Fund – Salt Spring Island Foundation	SSI: Mount Maxwell Park Land Acquisition	100,000	2022
<b>Total</b>			<b>268,462</b>	

Department	Grant Program	Project	Amount (\$)	Year Submitted
Corporate Services	Economic Diversification Stream - Rural Economic Diversification and Infrastructure Program - Province of BC *NEW	Last-mile Connectivity and Economic Development Project for the Southern Gulf Islands	576,725	2023
	TD Friends of the Environment Foundation – TD Bank *NEW	SGI Pender Island Parks and Recreation Commission Youth Native Tree Planting Program Project	7,000	2023
Executive Services	2023 Canada Summer Jobs – Employment and Social Development Canada *NEW	Three applications for 35 positions across CRD Services: Panorama \$51,365; SEAPARC \$42,908; and Salt Spring Island Parks \$24,320.	118,593	2023
	Active Transportation Infrastructure Stream – BC Active Transportation Infrastructure Grants Program	SSI: Merchant Mews Pathway Project	81,900	2022
	Reaching Each and Everyone: A Community Sport Intervention Program – Canadian Parks and Recreation Association	SSI: Inclusive Recreation Project	50,000	2022
	Infrastructure Planning Grant Program – Province of BC	SSI: Mount Erskine Water System Infrastructure Condition Assessment	10,000	2022
	Community Grants – Salt Spring Island Foundation	Salt Spring Island Multi-space Dance Project	10,000	2022
Integrated Water Services	Strategic Priorities Fund – Canada Community Building Fund	Regional Water Supply Main No. 4 Mt. Newton to Highway 17 Section Replacement	6,000,000	2022

Department	Grant Program	Project	Amount (\$)	Year Submitted
Parks & Environmental Services	CleanBC Communities Fund – Climate Change Mitigation – Green Infrastructure Stream – Investing in Canada Infrastructure Program	Capital Regional District Public Electric Vehicle Charging Network Project	6,403,671	2022
	Strategic Priorities Fund – Canada Community Building Fund	Lochside Regional Trail and Swan Lake Trestle Enhancement Project, Capital Region, Victoria, BC	5,999,999	2022
	Active Transportation Fund – Infrastructure Canada	Galloping Goose Regional Trail and Selkirk Trestle Enhancement Project (Submitted by Ministry of Transportation and Infrastructure, in partnership with Regional Parks)	5,848,328	2022
	Strategic Priorities Fund – Canada Community Building Fund	Lochside Regional Trail and Brett Avenue Trestle Enhancement Project, Capital Region, Victoria, BC	4,376,354	2022
	Active Transportation Infrastructure Stream – BC Active Transportation Infrastructure Grants Program	Mayne Island Regional Trail Phase 1 Development Project	500,000	2022
	CleanBC – BC Hydro Commercial Custom Program	Panorama Energy Recovery Project	200,000	2020
	Community-Nominated Priority Places Species at Risk – Environment and Climate Change Canada (Expression of Interest)	Species at Risk Assessment, Planning, and Habitat Restoration at Mill Hill Regional Park	180,000	2022
	Sustainable Communities and Industry Partnerships Project Implementation Offer – BC Hydro <sup>NEW</sup>	Neighbourhood Energy Navigator Project	59,000	2023

Department	Grant Program	Project	Amount (\$)	Year Submitted
Parks & Environmental Services (con't)	New Horizons for Seniors Program – Employment and Social Development Canada	Dinner Bay Seniors Fitness Circuit Project	25,000	2022
	Pacific Institute for Climate Solutions Internship Program *NEW	Regional Climate Projections: Understanding Current Use, Gaps, and Opportunities	12,000	2023
Planning & Protective Services	2023 FireSmart Community Funding & Supports – Community Resiliency Investment Program – UBCM *NEW	CRD FireSmart Project	348,790	2022
	2022 Volunteer & Composite Fire Departments Equipment and Training Program – Community Emergency Preparedness Fund – UBCM *NEW	CRD Fire Department Training & Equipment Project	178,896	2022
	2023 Emergency Support Services – Community Emergency Preparedness Fund – UBCM *NEW	CRD Evacuee Registration and Assistance Team (ERA) Project	18,000	2023
<b>Total</b>			<b>31,004,256</b>	

**X** 2023 Declined / Withdrawn Grants

Department	Grant Program	Project	Amount (\$)	Year Submitted
Executive Services	Environmental Quality – Green Infrastructure Stream – Investing in Canada Infrastructure Program	SSI: Cedars of Tuam – New Well and Water Treatment Plant (Declined)	1,143,948	2022
Integrated Water Services	Environmental Quality – Green Infrastructure Stream – Investing in Canada Infrastructure Program	JDF: Anderson Cove Water Main Extension Project (Declined)	1,766,905	2022
	Environmental Quality – Green Infrastructure Stream – Investing in Canada Infrastructure Program	SGL: Skana Water System Storage Tank Replacement (Declined)	535,272	2022
Parks & Environmental Services	New Horizons for Seniors Program – Employment and Social Development Canada	Community Garden Improvements at the Greenglade Community Centre (Declined)	25,000	2020
<b>Total</b>			<b>3,471,125</b>	

## APPENDIX B 2023 GRANT ALERTS

### Open Grants as of 13-Feb-23

DEADLINE	PROGRAM	DESCRIPTION
16-Feb-23	Connecting Communities BC – BC Connectivity Infrastructure (Canada/BC): Second intake <a href="#">[LINK]</a>	Second intake of connectivity funding program to expand broadband internet services to underserved rural, remote, and Indigenous communities.
17-Feb-23	ICBC Community Grants Program – ICBC <a href="#">[LINK]</a>	Funding for road safety and injury recovery initiatives.
24-Feb-23	Disaster Risk Reduction – Climate Adaptation – Community Emergency Preparedness Fund – UBCM <a href="#">[LINK]</a>	Funding for disaster risk reduction and climate-related risks through three streams: 1. Foundational Activities; 2. Non-Structural Projects; 3. Small-scale Structural Projects.
28-Feb-23	Green and Inclusive Community Buildings – Infrastructure Canada <a href="#">[LINK]</a>	Funding through two streams to build and adapt community buildings to reduce GHG and improve climate change resilience: 1. Large retrofits and new buildings; 2. Small and medium retrofit projects.
28-Feb-23	Kal Tire’s RePlay Fund – Kal Tire <a href="#">[LINK]</a>	Funding to help cover the cost of recycled rubber products through third-party suppliers for community infrastructure projects.
28-Feb-23	Scotts Gro for Good – Scotts Miracle Grow <a href="#">[LINK]</a>	Funding to support community efforts to showcase the benefits of gardening, including encouraging healthy eating habits.
13-Mar-23	Zero Emission Vehicle Awareness Initiative – Medium and Heavy Duty Stream – Natural Resources Canada <a href="#">[LINK]</a>	Funding for new and innovative projects that aim to increase knowledge, awareness and confidence in medium- and heavy-duty zero-emission or low-emission vehicles for fleet owners, drivers and general public.



DEADLINE	PROGRAM	DESCRIPTION
15-Mar-23	Projects – Stream Rapid Housing Initiative Round 3 – Canada Mortgage and Housing Corporation <a href="#">[LINK]</a>	Funding to build new housing and/or purchase existing buildings that will be rehabilitated or converted into permanent affordable housing.
17-Mar-23	Poverty Reduction Planning and Action Program – UBCM <a href="#">[LINK]</a>	Funding to support local governments to reduce poverty and advance the Province's poverty reduction strategy through two streams: 1. Poverty Reduction Plans and Assessments; 2. Poverty Reduction Action.
27-Mar-23	Codes Acceleration Fund – National Resources Canada <a href="#">[LINK]</a>	Funding to support adoption and implementation of national model building energy codes through two streams: 1. Those who have the ability to adopt energy codes; 2. Those that do not have the ability to adopt energy codes.
31-Mar-23	2023 Emergency Operations Centres & Training – Community Emergency Preparedness – UBCM <a href="#">[LINK]</a>	Funding for purchase of equipment and supplies to maintain/improve EOCs and training.
13-Apr-23	Building for the Future – Housing Supply Challenge: Round 4 – Impact Canada (Canada Mortgage and Housing Corporation) <a href="#">[LINK]</a>	Funding for activities for innovative construction processes, techniques, systems and materials to increase affordable, climate-resistant housing.
18-Apr-23	Broadband Fund – Canadian Radio and Television Commission – Government of Canada <a href="#">[LINK]</a>	Funding for transport projects, mobile wireless projects and projects requiring operational funding to increase satellite transport capacity.
28-Apr-23	2023 Public Notification & Evacuation Route Planning – Community Emergency Preparedness – UBCM <a href="#">[LINK]</a>	Funding for evacuation route planning and public notification, emergency support services and EOC training.

DEADLINE	PROGRAM	DESCRIPTION
30-Apr-23	Community Anniversaries – Building Communities Through Arts and Heritage – Canadian Heritage <a href="#">[LINK]</a>	Provides funding for one-time events/capital projects that celebrate the 100th (or 125th/150th/175th, etc.) anniversary of a significant historical event/personality.
12-Jul-23	Infrastructure Planning Grant - Ministry of Municipal Affairs <a href="#">[LINK]</a>	Funding to help governments develop or improve long-term comprehensive plans including asset management plans, integrated stormwater management plans, etc.
19-Jul-23	Disaster Mitigation and Adaptation Fund – Infrastructure Canada <a href="#">[LINK]</a>	Funding for infrastructure projects designed to mitigate current and future climate-related risks and disasters triggered by natural hazards.
31-Dec-23	2023 Fire Smart Community Funding & Supports Program – Community Resiliency Investment – UBCM <a href="#">[LINK]</a>	Funding to increase community resiliency through Fire Smart planning / activities to reduce wildfire risk.
Continuous through 2023	2 Billion Trees Program – Government of Canada <a href="#">[LINK]</a>	Funding for tree planting through three streams: 1. Mass Planting; 2. Small-Scale Planting; 3. Urban/Suburban.
Continuous through 2023	Forest Enhancement Society of BC <a href="#">[LINK]</a>	Funding support to reduce wildfire risk and increase community resilience.
Continuous through 2023	Play Your Court Program – National Bank of Canada <a href="#">[LINK]</a>	Funding to revitalize more than 100 tennis courts in communities across Canada.
Continuous	Community Building Recommissioning Grant – Green Municipal Fund – Federation of Canadian Municipalities <a href="#">[LINK]</a>	Funding to identify opportunities to reduce whole-building energy use by up to 5-15 percent (with higher savings possible), extend equipment life and reduce maintenance costs. Two types of projects are eligible for this grant: building recommissioning and building retro-commissioning.

DEADLINE	PROGRAM	DESCRIPTION
Continuous	Capital Projects Stream – Rural Transit Solutions Fund – Infrastructure Canada <a href="#">[LINK]</a>	Funding for rural and remote community capital projects to support both traditional and non-traditional transport modes and transportation systems.
Continuous	Homelessness Community Action Grant – Social Planning and Research Council of BC <a href="#">[LINK]</a>	One-time funding for local planning and collaborative initiatives to respond to the needs of those who are homeless or at risk of becoming homeless.
Continuous	Canada Cultural Spaces – Canadian Heritage <a href="#">[LINK]</a>	Funding for improvement of physical conditions for heritage, culture and creative innovation.
Continuous	Capital Project: Signature Initiative – Green Municipal Fund – Federation of Canadian Municipalities <a href="#">[LINK]</a>	Funding (combined loans and grants) to help Canadian cities and communities of all sizes implement bold environmental projects that reduce GHG emissions and protect the air, water, or land.
Continuous	Commemorate Canada – Canadian Heritage <a href="#">[LINK]</a>	Funding for initiatives that commemorate and celebrate historical figures, places, events, and accomplishments of national significance.
Continuous	Community Building Monitoring and Analysis Grant – Green Municipal Fund – Federation of Canadian Municipalities <a href="#">[LINK]</a>	Funding to track energy use of existing community facilities over time, compare the energy performance of their buildings to similar buildings in other municipalities and identify opportunities to save energy. Funding is intended for community building owners who do not have a building monitoring and analysis system in place.
Continuous	GHG Reduction Pathway Feasibility – Green Municipal Fund – Federation of Canadian Municipalities <a href="#">[LINK]</a>	Funding to assess feasibility for projects that reduce energy and GHGs for recreational and cultural facilities.

DEADLINE	PROGRAM	DESCRIPTION
Continuous	McConnell Foundation Fund <a href="#">[LINK]</a>	Funding to support projects through three streams: 1. Climate; 2. Reconciliation; 3. Communities.
Continuous	Medium and Heavy Duty Zero Emission Vehicles Program – Transport Canada <a href="#">[LINK]</a>	Funding to encourage adoption of medium and heavy-duty zero emissions vehicles.
Continuous	Planning Stream: Early Support for Sustainable Affordable Housing – Green Municipal Fund – Federation of Canadian Municipalities <a href="#">[LINK]</a>	Funds for deliverables required in applications for additional funding of energy efficient affordable housing.
Continuous	Regional Innovation Ecosystems – Pacific Economic Development Canada <a href="#">[LINK]</a>	Funding to create, grow and nurture inclusive ecosystems that support business needs.
Continuous	Smart Renewables and Electrification Pathways Program – Natural Resources Canada <a href="#">[LINK]</a>	Four funding streams: 1. Established Renewables; 2. Emerging Technologies; 3. Grid Modernization (the only eligible Applicants are Utilities and System Operators); 4. Strategic Dialogue Linked Projects.
Continuous	Pilot Projects: Stormwater Quality, Community Project – Green Municipal Fund – Federation of Canadian Municipalities <a href="#">[LINK]</a>	Funding for capital projects that allow a community to remove 60% of total suspended solids or a significant amount of other contaminants (e.g., E.coli, salt, grease) from its stormwater runoff.
Continuous	Zero Emission Transit Fund – Infrastructure Canada <a href="#">[LINK]</a>	Funding through two components to support public transit and school bus operators to electrify their fleets: 1. Planning projects; 2. Capital projects.

## Closed Grants

DEADLINE	PROGRAM	DESCRIPTION
04-Jan-23	Rural Economic Diversification and Infrastructure Program – Ministry of Employment, Business and Economic Development <a href="#">[LINK]</a>	Funding for rural economic development projects that promote economic capacity building, economic diversification, resilience, clean economy and infrastructure development through three streams: 1. Economic Capacity; 2. Economic Diversification; 3. Forest Impact Transition. (CRD is excluded but EAs may request an exemption).
11-Jan-23	Green Jobs – Science and Technology Internship Program – Natural Resources Canada <a href="#">[LINK]</a>	Funding for youth training placements to build knowledge and skills for future employment in the natural resources sectors.
12-Jan-23	Canada Summer Jobs – Employment and Social Development Canada <a href="#">[LINK]</a>	Funding for wage subsidies for employers to create summer work experiences for youth 15-30 years of age.
12-Jan-23	Documentary Heritage Communities Program – Libraries and Archives Canada <a href="#">[LINK]</a>	Funding to commemorate local history and heritage.
15-Jan-23	TD Friends of the Environment Foundation Grant – TD Bank <a href="#">[LINK]</a>	Funding for environmental initiatives with a primary focus on environmental education and green space programs.
16 Jan-23	BC Vision Zero Grant Program – BC Injury and Prevention Unit <a href="#">[LINK]</a>	Funding for projects that protect vulnerable road users from serious injury, disability or death.

DEADLINE	PROGRAM	DESCRIPTION
18-Jan-23 (Extended)	Healthy Canadians and Communities Fund – Public Health Agency of Canada <a href="#">[LINK]</a>	Funding for interventions that address health inequities through three streams: 1. Creating supportive social environments for tobacco prevention and cessation; 2. Creating food environments that enable access to healthy foods to improve healthy eating; 3. Creating and/or promoting healthy built environments to increase physical activity.
18-Jan-23	Infrastructure Planning Grant Program – Province of BC <a href="#">[LINK]</a>	Funding for projects supporting the development of sustainable community infrastructure.
27-Jan-23	2023 Emergency Support Services – Community Emergency Preparedness Fund – UBCM <a href="#">[LINK]</a>	Capacity support for emergency support services including volunteer recruitment, training, and purchase of equipment.
31-Jan-23	Wildfire Community Preparedness Day – FireSmart Canada <a href="#">[LINK]</a>	Funding to support Wildfire Community Preparedness Day May 6, 2023.
01-Feb-23	ParticipACTION Community Challenge – PARTICIPACTION <a href="#">[LINK]</a>	Funding for community organizations to remove barriers and increase physical activity and sport participation for equity-deserving groups.





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**REPORT TO THE FINANCE COMMITTEE  
MEETING OF WEDNESDAY, MARCH 01, 2023**

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**SUBJECT**     **Capital Regional District Investment Portfolio Holdings and Annual Performance Update**

**ISSUE SUMMARY**

Provide an annual update on Capital Regional District (CRD) investment holdings and performance for the period ended December 31, 2022.

**BACKGROUND**

The CRD invests operating, capital and reserve funds in accordance with the *Local Government Act, Community Charter* and Board approved Investment Policy. The Investment Policy applies to the investment activities for all funds maintained by the CRD, the Capital Region Housing Corporation (CRHC) and the Capital Regional Hospital District (CRHD). The types and terms of investments purchased are evaluated on four fundamental objectives: safety of principal, liquidity, responsible investing and return on investment in alignment with the policy.

The policy also provides minimum ratings of investment vehicles which can be purchased. Currently, investments in chartered banks or savings institutions must have a risk rating of R-1 (low) or higher for short-term investment and A- for long-term as published by major credit rating agencies. Both ratings indicate a superior credit rating on all investments.

Investments are continuously monitored to ensure the appropriate strategy through current and forecasted economic conditions. The CRD invests funds in a mix of products including High-Interest Savings Accounts (HISA), fixed term Guaranteed Investment Certificates (GICs) and Municipal Finance Authority (MFA) pooled funds. The placement or divestiture of investments are timed with forecasted cash requirements.

Investments through 2022 have been made in alignment with the Board approved Investment Policy (Appendix A), last amended in March to incorporate the published MFA Environmental, Social and Governance Framework (ESG). Although economic and market conditions drove fluctuations and uncertainty in the portfolio, performance exceeded the benchmark rate, as detailed in the report.

**IMPLICATIONS**

*Financial Implications*

**Portfolio Holdings**

As of December 31, 2022, the CRD investment portfolio totaled \$369.7 million. A detailed listing by investment type is included in Appendix C. Table 1 summarizes the distribution of the portfolio in short and long-term investments.

**Table 1: CRD Investment Results – Summary**

Investments	Balance (\$millions)	% Share
Investments Short-Term (less than two years)	140.0	37.9%
Investments Long-Term (more than two years)	229.7	62.1%
<b>Total Investments:</b>	<b>\$369.7</b>	<b>100.0%</b>

As detailed in the Board approved Investment Policy, products with maturities less than two years are classified as short-term while those greater than two years are classified as long-term.

**Performance**

The total effective return on investments during 2022 was \$3.6 million or 1.0%. Table 2 summarizes investment income by driver for the last three years:

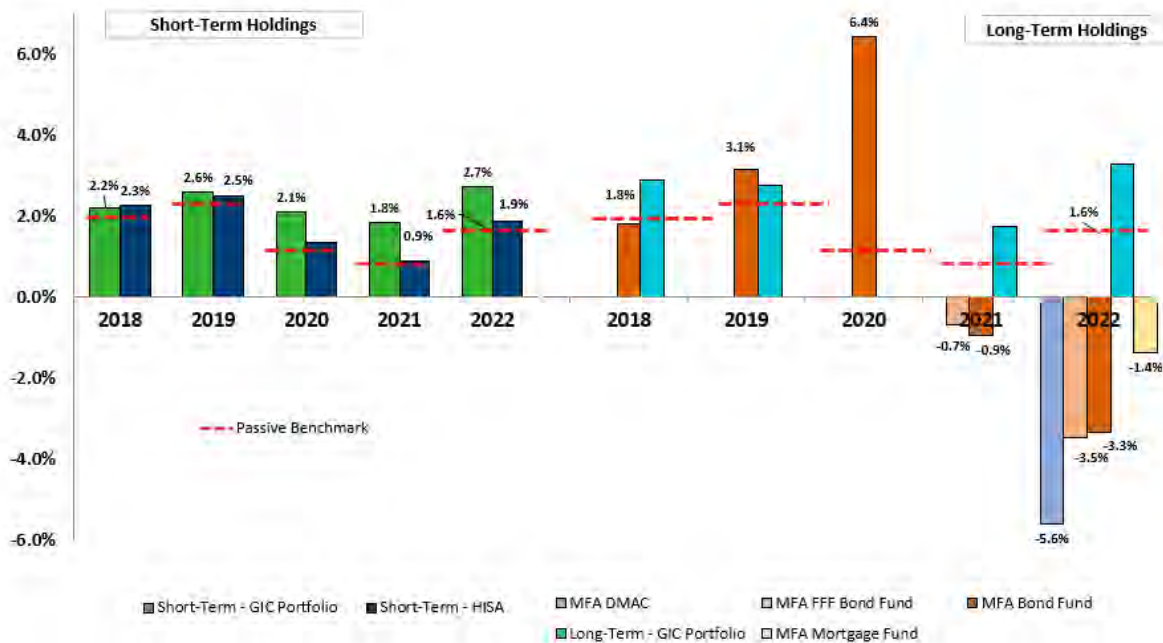
**Table 2: Investment Income Three-Year Trend (\$ Millions)**

	2020		2021		2022	
Passive Income	1.1%	\$2.7M	0.8%	\$2.1M	1.6%	\$4.1M
Unrealized Gain (loss)	0.5%	\$1.7M	-0.4%	-\$1.6M	-6.2%	-\$5.3M
Active Management	0.8%	\$2.5M	0.6%	\$2.5M	5.6%	\$4.8M
<b>Total</b>	<b>2.4%</b>	<b>\$6.9M</b>	<b>1.0%</b>	<b>\$3.0M</b>	<b>1.0%</b>	<b>\$3.6M</b>

Unrealized losses in MFA pooled funds continue to impact returns throughout COVID-19. Excluding unrealized 'paper' losses, the portfolio returned \$8.8 million or 2.7%. In comparison to the prior year, net return was equal on a percentage basis but higher on a dollars basis by \$0.6 million.

The following graph below provides a summary of portfolio yield by holdings.

Graph 1: Portfolio Yields – 2022



The passive investment benchmark represents the expected return from a liquid investment strategy without active management. During 2022, the Bank of Canada raised the key overnight lending rate eight times, contributing to the significant change in the benchmark rate in 2022. As a result of strong cashflow forecasting and an active investment management strategy, the portfolio was rebalanced throughout the year to mitigate performance.

Short-Term Investments

These funds focus on liquidity and are monies needed for near-term expenditures in operating and capital. The funds are invested in a mix of HISA and GIC’s with varying terms throughout the year in alignment to cashflow needs. GIC rates were volatile throughout 2022, exceeding rate changes on deposit. The overall short-term GIC and HISA combined portfolio return was 2.5% compared to the passive benchmark of 1.6%. The value-add of 0.9% is approximately \$1.6 million to the CRD.

Long-Term Investments

Funds invested in long-term GICs and MFA pooled funds are primarily long-term capital reserves. The long-term GIC portfolio returned 3.3% exceeding targets and the passive benchmark of 1.6%. This equates to approximately \$3.2 million of value-add to the CRD in 2022.

As market conditions changed throughout 2022, equity and bond market products experienced changes in valuation driven primarily by an inverted yield curve at the end of the year. Reporting requirements quantify market value as unrealized gains or losses for the fiscal cycle. When securities are sold unrealized gains/losses become realized. The nature of long-term investments are to hold them for the long-term and weather inherent storms. MFA benchmarks each fund to

evaluate fund manager performance. Appendix D provides MFA published performance reporting and benchmarks.

All funds currently invested are forecasted to remain within the fund for a long-term investment period. Appendix E includes more background on long-term placement monitoring.

**Socially Responsible Investing Alignment**

Investments are considered in alignment with responsible investing objectives when identified as meeting the criteria defined by MFA in their ESG Framework (Appendix F). As of December 31, 2022, 25% of the longterm portfolio was invested in socially responsible investment products versus 20% in the prior year.

**CONCLUSION**

Overall, the CRD portfolio of investments reflects the four fundamental objectives of safety of principal, liquidity, responsible investing and return on investment. Investments have been made in keeping with requirements under the Investment Policy and investment performance generally exceeded expectations for the year ended December 31, 2022.

**RECOMMENDATION**

There is no recommendation. This report is for information only.

Submitted by:	Rianna Lachance, BCom, CPA, CA, Senior Manager, Financial Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

**ATTACHMENTS**

- Appendix A: Investment Policy
- Appendix B: Market Analysis
- Appendix C: Investment Holdings
- Appendix D: MFA Pooled Investment Fund Monthly Performance Report
- Appendix E: Long-Term Monitoring
- Appendix F: MFA ESG Framework



## CAPITAL REGIONAL DISTRICT

Making a difference...together

### INVESTMENT POLICY

Policy Type	Board [Corporate]		
Title	INVESTMENT POLICY		
Adopted Date	September 22, 2013	Policy Number	BRD07
Amendment #1	May 10, 2017		
Amendment #2	March 10, 2021 (Approved)		
Amendment #3	March 9, 2022 (Approved)		
Policy Owner	Financial Services		

#### 1. PURPOSE

This investment policy provides the framework for investment portfolio management for the Capital Regional District (CRD), Capital Regional Hospital District (CRHD) and Capital Region Housing Corporation (CRHC).

It is the policy of the CRD, CRHD and CRHC to invest funds in a manner that provides the optimal blend of investment security and return while meeting the short and long term cash flow requirements in support of the corporate plan priorities while maintaining compliance with statutory requirements.

#### 2. SCOPE

The investment policy applies to all cash operating funds, capital funds and reserve funds. It does not apply to funds held in trust or which have a specific legal or statutory requirement for cash management, disbursement, or investment.

#### 3. PRINCIPLES

The investment of funds must reflect a management philosophy based on the fundamental objectives of

##### 3.1 Safety of Principal

Investments shall be made to ensure preservation of principal within the portfolio. Preservation of principal is accomplished through placement of funds with creditworthy institutions and through portfolio diversification. Diversification is required to minimize potential losses on financial products.

##### 3.2 Liquidity

The investment portfolio shall remain sufficiently liquid to meet all reasonably anticipated cash flow requirements.

##### 3.3 Responsible Investing

The investment program will consider socially responsible investment products that adhere to statutory requirements and meet the objectives laid out in this policy.

Organizations that adopt a socially responsible investment platform in alignment with the published MFA ESG framework are preferred

### **3.4 Return on Investment**

The investment portfolio shall be designed with the objective of maximizing market rate of return subject to the investment risk constraints, liquidity requirements and responsible investing objectives.

## **4. INVESTMENT PARAMETERS**

### **4.1 Safety of Principal**

The program will diversify cash reserve investments by security type and institution, taking into consideration the impact on return on investment. Section 5.4 outlines the authorized and suitable investments permissible to ensure optimal portfolio diversification.

### **4.2 Liquidity**

To the extent possible, portfolio management will align investments with anticipated cash flow requirements. However, a portion of the portfolio shall be continuously invested in fully-liquid investments to meet ongoing obligations.

A long-term financial plan will be established for major capital reserves. The long-term financial plan will inform the term decision when placing timed investments in order to meet liquidity requirements.

### **4.3 Responsible Investing**

Where responsible investment options provide comparable risk, return and liquidity, these facilities will be a priority. Investments are considered in alignment with responsible investing objectives when identified as meeting criteria as defined by MFA within the published MFA ESG Framework.

### **4.4 Return on Investment**

The investment program will seek to maximize the total return on all funds under management after considering protection of principal, liquidity and responsible investing. Return will be monitored through performance benchmarks to ensure program activities are providing benefits in excess of costs and with the goal to preserve capital against inflation over time. Due to the nature of the CRHC business activities, delivering affordable housing within the social service sector, CRHC will be excluded from holding lower return products.

### **4.5 Authorized and Suitable Investments**

Money held may be invested or reinvested according to section 183 of the *Community Charter* subject to the following conditions:

1. Investments in marketable securities of a chartered bank or savings institution or any province must have a DBRS risk rating of R-1 (low) or higher for short-term debt and a rating of A (low) for long-term debt or comparable ratings of another rating organization, indicating equal or superior credit quality (see Appendix A of this policy).



2. Investment placements will conform to the portfolio diversification constraints listed in Appendix B. Exceptions to constraints listed in Appendix A require Chief Financial Officer approval and shall be reported to the Board through Standing Committee at the next available meeting.
3. Internal projects under CRD service authority are considered allowable investment options when capital reserves are not immediately required and can be accessed through inter-service borrowing. Inter-service borrowing will be in compliance with legislation and the CRD Inter-Service Borrowing Guidelines.

## 5. STANDARD OF CARE

### 5.1 Prudence

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs. Investments will not be made for speculation. Foremost will be consideration for the safety of capital. Staff must be aware of reasonably foreseeable risks, trends and fluctuations in the market, and be able to recognize unreasonable risks whilst ensuring the liquidity of the investment portfolio.

### 5.2 Ethics and Conflict of Interest

Staff responsible for investing activities shall comply with the CRD Conflict of Interest Policy and shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair the ability to make impartial investment decisions.

### 5.3 Delegation of Authority

Authority to manage the investment program (“the Program”) is granted to the Chief Financial Officer and is derived from section 237 of the *Local Government Act*.

### 5.4 Credit Risk Monitoring

To meet the objectives of this policy and ensure suitability of offerings, credit risk monitoring must be conducted by CRD Staff independent of vendor representations. The following due-diligence shall be performed:

1. In-house credit analysis shall be conducted on all financial institutions and investment counter-parties.
2. Credit reports and analysis, published by DBRS, S&P, Fitch or Moody’s, will be obtained from financial institutions, investment dealers and rating institutions and reviewed.
3. Credit reports and analysis are recognized as opinions and not a guarantee for safety of principal.
4. When placing investments in individual marketable securities and more than one credit rating is available, the average of two or more available credit ratings shall be used.

**5.5 Consolidated Basis**

All funds covered by this policy will be managed on a consolidated basis to ensure the best possible return by providing economies of scale.

**5.6 Program Requirements**

The Program shall abide by the following reporting requirements:

1. The Chief Financial Officer must report to the Finance Committee annually. The report must identify investment holdings and any deviations from this policy; and
2. An appropriate portfolio performance benchmark will be set and reported in the annual investment performance report.

**6. POLICY REVIEW**

<b>Review Date</b>	<b>Description:</b>
March 2026, unless legislative change or new MFA finance product	To ensure ongoing relevance, this policy shall be reviewed the earlier of: <ol style="list-style-type: none"> <li>1. If a change in the relevant legislation governing the investment activities of local governments occurs;</li> <li>2. If the Municipal Finance Authority of British Columbia establishes a new pooled fund investment product; or</li> <li>3. Every five calendar years.</li> </ol>

**7. RELATED POLICY, PROCEDURE AND GUIDELINES**

- Conflict of Interest Policy

**Appendix A**  
**Dominion Bond Rating Service (DBRS) Credit Quality Ratings**

<b>Commercial Paper &amp; Short-Term Debt</b>	<b>Bond &amp; Long-term Debt</b>	<b>Bond &amp; Long-term Debt</b>	<b>Description</b>	<b>CRD/CRHD/CRHC Investment Policy</b>
R-1 (high)	AAA	Investment Grade ↑	Superior	Permissible
R-1 (high)	AA (high)			
R-1 (middle)	AA			
R-1 (middle)	AA (low)			
R-1 (low)	A (high)		Good	
R-1 (low)	A			
R-1 (low)	A (low)			
R-2 (high)	BBB (high)	Speculative Grade	Adequate	Not Permissible
R-2 (middle)	BBB			
R-2 (low) / R-3	BBB (low)			
R-4	BB (high)		Speculative	
R-4	BB			
R-4	BB (low)			
R-4	B (high)			
R-5	B		Highly Speculative	
R-5	B (low)			
R-5	CCC			
R-5	CCC			
R-5	CCC			
R-5	CC			
R-5	C			
D	D		Default	

## Appendix B Portfolio Diversification Constraints

**Exposure constraints target protection of principal and return and set a maximum allowable share of the total portfolio that can be invested.**

Due to market fluctuations and / or the timing of investment deposit transfers, maximum percentages in Appendix C may be exceeded at a point in time. Securities need not be liquidated to rebalance the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

The portfolio diversification constraints are found in Table 1 below:

Table 1: **Portfolio Diversification Constraints**

Investment Type	MAXIMUM of Total Reserves	MAXIMUM by Institution/product/ pooled fund
<b><u>Short-Term (&lt; 2 year holding period)</u></b>		
Canadian Banks (Schedule 1) Deposits and/or GIC's	65%	35%
MFA Pooled Fund Products	50%	50%
Credit Unions (Rated/Insured) Deposits and/or GIC's	35%	20%
<b><u>Long-Term (&gt; 2 year holding period)</u></b>		
Canadian Banks (Schedule 1) Deposits and/or GIC's	65%	35%
MFA Pooled Fund Products	60%	30%
Credit Unions (Rated/Insured) Deposits and/or GIC's	35%	20%
Internal Projects (5+ years)	30%	-
Federal Bonds	20%	10%
Municipal Finance Authority of BC Bonds	20%	20%
Provincial Bonds	15%	15%
Municipal, Regional District or Greater Board Bonds	15%	15%

## Market Analysis

### Applies to the Capital Regional District (CRD), the Capital Regional Hospital District (CRHD), and the Capital Region Housing Corporation (CRHC)

As part of overall portfolio management, staff regularly monitor market trends and key metrics such as the Bank of Canada overnight interest rate, the Government of Canada bond rates and other market commentary issued by banks and investment brokers. Additionally, the Municipal Finance Authority (MFA) provides regular market commentary on new product developments and based on outlook reports provided by Phillips, Hager & North Investment Management (PH&N).

The economic theme for 2022 was one of market turbulence. Geopolitical conflict, rising interest rates and record inflation heightened recessionary risks for many economies as financial conditions came under pressure. Consequently, significant repricing in fixed income and equity markets were the result.

While 2022 market fixed income results were poor, yields across terms now offer attractive potential returns comprised of capital gains and income. Deposit rates (GICs and HISAs) began the 2022 at historically low levels but ended the year much higher, due to the impact of eight Bank of Canada interest rate hikes throughout the year.

The Table 1 below presents key indicator rates at December 31 for the period 2020 to 2022:

**Table 1: Indicative Market Rates 2020 to 2022**

Rate	2020	2021	2022
Bank Of Canada – Overnight Rate	0.25% - 1.75%	0.25%	0.25% - 4.50%
HISA	0.80% - 1.06%	0.80 – 0.95%	0.72% - 4.80%
RBC – Bank Rate	0.80% - 2.30%	0.80%	0.70% - 4.70%
Fixed GIC – 180 day /1 Year (sample)	0.92% / 1.24%	0.40 – 0.70%	2.22% / 3.06%

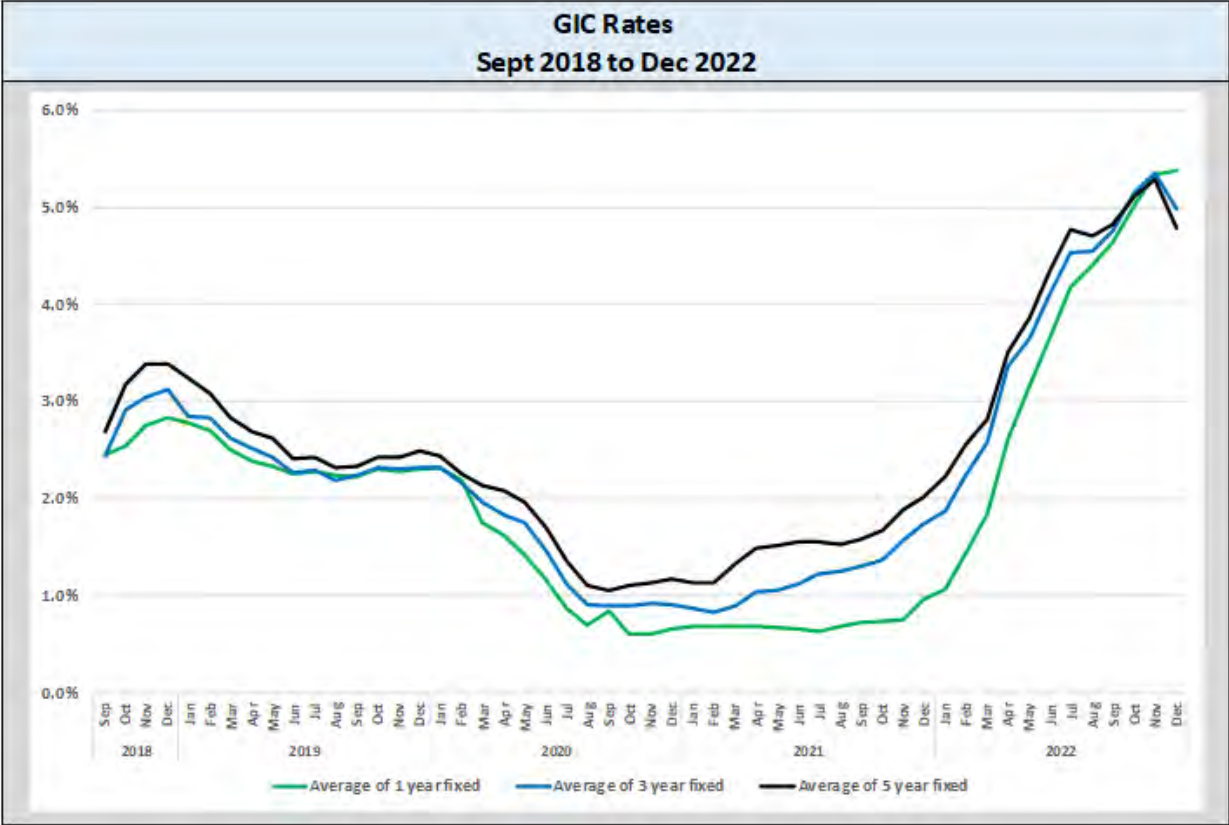
### Investment Marketplace

Throughout 2022, HISA rates rose but not as high as GIC rates, making them less competitive compared to fixed term GIC products. HISA allocations were driven by maintaining liquidity for unforeseen circumstances.

GIC rates increased significantly throughout 2022, exceeding the rate of increase on deposits. As shown in Graph 1, GIC rates were at their highest late in 2022, ending the year down slightly off the five-year high of 5.2%<sup>1</sup>.

<sup>1</sup> CRD treasury files

Graph 1: GIC Historical Rates (Short-Term)



In January 2022, the MFA introduced a Diversified Multi-Asset Class (DMAC) Fund. This DMAC Fund will invest in a diverse universe of securities such as corporate fixed income, common stocks and alternative asset classes such as infrastructure and real estate. The first \$15 million CRD investment was placed in the DMAC fund upon its opening by the MFA on January 17, 2022

The CRD also made a placement to the MFA Mortgage Fund, which invests in existing PH&N pooled fund products providing investment exposure to commercial investment grade mortgages.

The CRD continues to hold units in the MFA Fossil Fuel-Free Bond Fund (FFF) and the MFA Bond Fund. The FFF Bond Fund invests in securities similar to the existing bond fund except that the FFF option excludes those holdings directly related to non-renewable energy extraction, processing, and transportation. This additional screening is estimated to exclude approximately 4% of the population of investible securities compared to the existing bond fund.



Over the full calendar 2022 year, the Fossil-Fuel-Free Bond Fund (FFF Fund) underperformed the MFA Bond Fund on an annual basis by 0.16% (-3.59% versus -3.43% respectively). This discrepancy was primarily due to the difference in corporate exposure between the two portfolios, specifically energy exposure. The FFF Fund had a significantly lower weight in the energy sector compared to the bond fund, which was one of the top performing corporate sectors over the year. Additionally, the FFF Fund held a higher weight to the Real Estate and Financial sectors, which experienced substantial spread widening over the year. Cumulatively, these positioning changes resulted in the MFA Bond Fund outperforming the FFF Fund by approximately 0.16% over the full year 2022.

Staff will assess investment placements in existing and new MFA pooled funds in the future, for the CRD, the CRHD, and the CRHC, as the need to place long-term funds arises.

**Portfolio Holdings**

At December 31, 2022, the CRD held \$369.7 million in short-term and long-term investments, as detailed in Table 1 below.

**Table 1: CRD Investment Holdings – as at Dec 31, 2022**

<b>Investments</b>	<b>Balance (\$millions)</b>	<b>% Share</b>
<b>Investments Short-Term (less than 2 years)</b>		
High Interest Savings Accounts (Cash)	26.4	7.2%
Guaranteed Investment Certificates (<2 year)	113.6	30.7%
<b>Total Short-term:</b>	<b>140.0</b>	<b>37.9%</b>
<b>Investments Long-Term (more than 2 years)</b>		
MFA DMAC Fund	14.2	3.8%
MFA Pooled Mortgage Fund	16.4	4.4%
MFA FFF Bond Fund	28.8	7.8%
MFA Short-Term Bond Fund	32.6	8.8%
Guaranteed Investment Certificates (> 2 year)	137.6	37.2%
<b>Total Long-term</b>	<b>229.7</b>	<b>62.1%</b>
<b>Total Investments:</b>	<b>\$369.7</b>	<b>100%</b>

The portfolio was distributed between short-term and long-term investments in a 38%/62% split. As per Investment Policy, investments with maturities or approaching maturities less than two years are classified as short-term and investments with maturity and divestiture dates beyond 2 years are classified as long term.

# MFA Pooled Investment Fund Monthly Performance Report

December 2022



Municipal Finance  
Authority of BC



# MFA Pooled Investment Fund Monthly Performance Report<sup>1</sup>

As of December 31, 2022

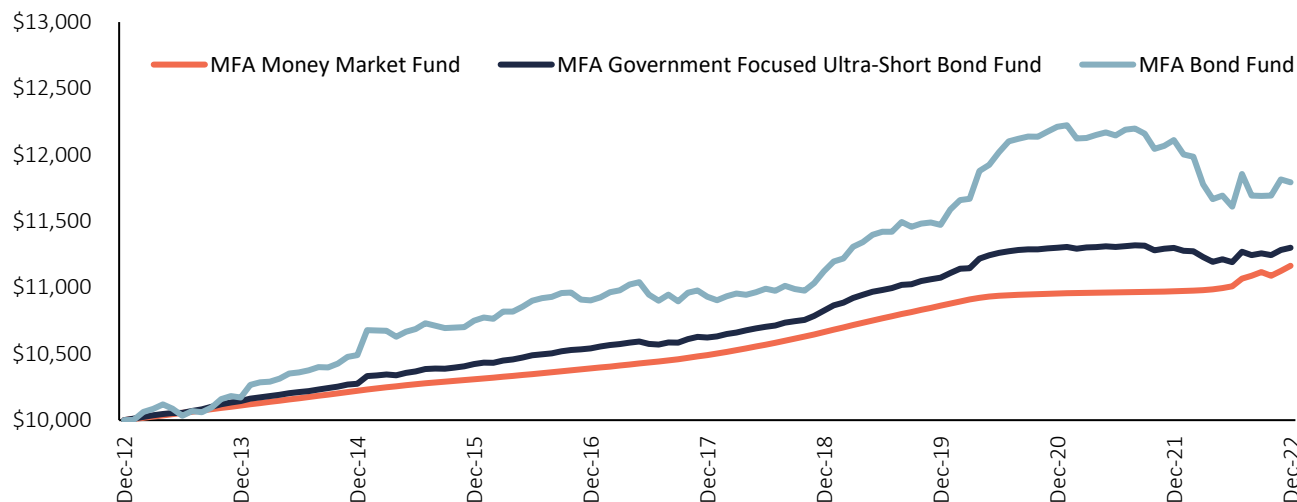
Total Return (%)	1 Month	3 Months	YTD	1 Year	3 Years	5 Years	Since Inception <sup>2</sup>
<b>MFA Money Market Fund</b>	<b>0.35</b>	<b>0.98</b>	<b>1.93</b>	<b>1.93</b>	<b>0.97</b>	<b>1.29</b>	<b>3.55</b>
<i>FTSE Canada 30-day T-Bill Index</i>	<i>0.29</i>	<i>0.87</i>	<i>1.57</i>	<i>1.57</i>	<i>0.66</i>	<i>0.93</i>	<i>3.28</i>
<i>Difference</i>	<i>0.06</i>	<i>0.11</i>	<i>0.36</i>	<i>0.36</i>	<i>0.31</i>	<i>0.36</i>	<i>0.27</i>
<b>MFA Government Focused Ultra-Short Bond Fund</b>	<b>0.15</b>	<b>0.66</b>	<b>-0.17</b>	<b>-0.17</b>	<b>0.62</b>	<b>1.21</b>	<b>3.15</b>
<i>FTSE Canada 365-Day Treasury Bill Index</i>	<i>0.25</i>	<i>0.79</i>	<i>0.42</i>	<i>0.42</i>	<i>0.87</i>	<i>1.19</i>	<i>2.83</i>
<i>Difference</i>	<i>-0.10</i>	<i>-0.13</i>	<i>-0.59</i>	<i>-0.59</i>	<i>-0.25</i>	<i>0.02</i>	<i>0.32</i>
<b>MFA Bond Fund</b>	<b>-0.18</b>	<b>0.85</b>	<b>-3.43</b>	<b>-3.43</b>	<b>0.64</b>	<b>1.36</b>	<b>5.30</b>
<i>FTSE Canada Short Term Overall Bond Index</i>	<i>-0.17</i>	<i>0.62</i>	<i>-4.24</i>	<i>-4.24</i>	<i>-0.17</i>	<i>0.81</i>	<i>4.99</i>
<i>Difference</i>	<i>-0.01</i>	<i>0.23</i>	<i>0.81</i>	<i>0.81</i>	<i>0.81</i>	<i>0.55</i>	<i>0.31</i>
<b>MFA Fossil Fuel Free Short-term Bond Fund</b>	<b>-0.20</b>	<b>0.79</b>	<b>-3.59</b>	<b>-3.59</b>	-	-	<b>-0.75</b>
<i>FTSE Canada Short Term Overall Bond Index</i>	<i>-0.17</i>	<i>0.62</i>	<i>-4.24</i>	<i>-4.24</i>	-	-	<i>-1.34</i>
<i>Difference</i>	<i>-0.03</i>	<i>0.17</i>	<i>0.65</i>	<i>0.65</i>	-	-	<i>0.59</i>
<b>MFA Mortgage Fund</b>	<b>-0.49</b>	<b>0.07</b>	<b>-5.36</b>	<b>-5.36</b>	-	-	<b>0.00</b>
<i>FTSE Canada Short Term Overall Bond Index</i>	<i>-0.17</i>	<i>0.61</i>	<i>-4.29</i>	<i>-4.29</i>	-	-	<i>-0.51</i>
<i>Difference</i>	<i>-0.32</i>	<i>-0.54</i>	<i>-1.07</i>	<i>-1.07</i>	-	-	<i>+0.51</i>
<b>MFA DMAC Fund</b>	<b>-1.80</b>	<b>5.67</b>	-	-	-	-	<b>-5.75</b>
<i>MFA DMAC Fund Custom Benchmark<sup>3</sup></i>	<i>-2.49</i>	<i>5.26</i>	-	-	-	-	<i>-5.22</i>
<i>Difference</i>	<i>+0.69</i>	<i>+0.41</i>	-	-	-	-	<i>-0.53</i>

<sup>1</sup>Total return less than one year is not annualized. Portfolio and benchmark performance is net of total fees and expenses of 12.5 basis points per annum (Money Market Fund and Government Focused Ultra-Short Bond Fund), 20 basis points per annum (Bond Fund and Fossil Fuel Free Short-term Bond Fund), and 25 basis points per annum (Mortgage Fund), and 33 basis points per annum (DMAC Fund).

<sup>2</sup>Inception dates: Money Market Fund – May 1, 1989; Government Focused Ultra-Short Bond Fund – May 18, 2020 (previously Intermediate Fund - March 30, 1994); Bond Fund – May 1, 1989; Fossil Fuel Free Bond Fund – May 5, 2020; Mortgage Fund – January 29, 2020; DMAC Fund – January 19, 2022.

<sup>3</sup>MFA DMAC Fund Custom Benchmark: 2% FTSE Canada 30 Day T-Bill Index, 15% FTSE Canada Short Term Overall Bond Index, 16% FTSE Canada 91 Day T-Bill Index, 17% S&P/TSX Capped Composite Total Return Index, 35% MSCI World Total Return Net Index (CAD), 12% MSCI Emerging Markets Total Return Net Index, 3% Canadian CPI (Non-Seasonally Adjusted) 1-month lag.

## Growth of \$10K Investment Over 10 Years\*



\*Portfolio and benchmark performance is net of fees

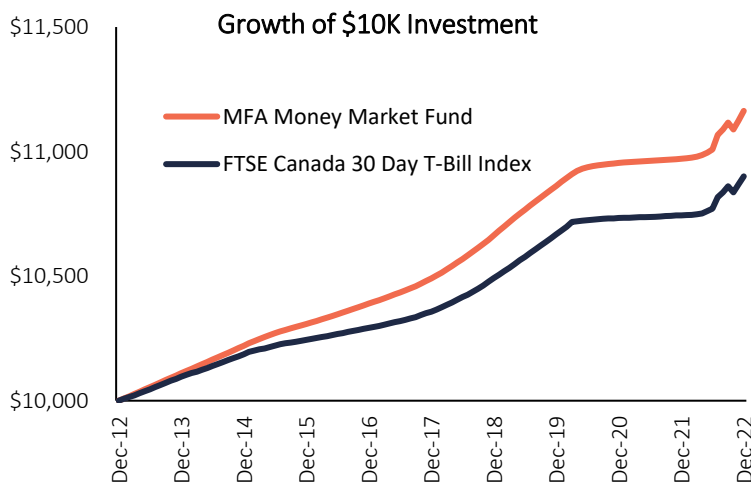
## MFA Money Market Fund

The principal objective of the Money Market Fund is to provide participating investors with interest income through investing primarily in high-quality money market instruments. The Fund will hold assets with maturities no longer than 366 days.

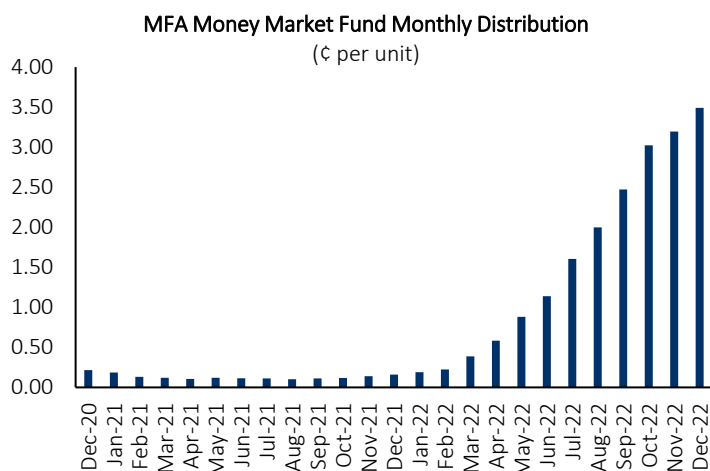
Government of Canada (GoC) bond yields increased across all terms in December. After initially declining on expectations that the monetary hiking cycle may have peaked, yields reversed course mid-month on the back of a higher than expected inflation report and restrictive actions and commentary from global central banks. Against this backdrop, the MFA Money Market Fund returned 0.35% over the month, slightly outperforming its benchmark.

Total Return (%)	1 Month	3 Months	YTD	1 Year	3 Years	5 Years	Since Inception <sup>2</sup>
<b>MFA Money Market Fund<sup>1</sup></b>	<b>0.35</b>	<b>0.98</b>	<b>1.93</b>	<b>1.93</b>	<b>0.97</b>	<b>1.29</b>	<b>3.55</b>
<i>FTSE Canada 30-day T-Bill Index</i>	<i>0.29</i>	<i>0.87</i>	<i>1.57</i>	<i>1.57</i>	<i>0.66</i>	<i>0.93</i>	<i>3.28</i>
<i>Difference</i>	<i>0.06</i>	<i>0.11</i>	<i>0.36</i>	<i>0.36</i>	<i>0.31</i>	<i>0.36</i>	<i>0.27</i>

<sup>1</sup>Total return less than 1 year is not annualized. Portfolio and benchmark performance is net of annualized fee and expenses of 12.5 basis points per annum. <sup>2</sup>Inception date: May 1, 1989.



\*Portfolio and benchmark performance is net of fees



\*Distributions include all interest income and coupon payments earned on investments, and are paid daily. Total income, divided by the total units outstanding on record date, is the income distribution per unit paid to investors.

Fund Characteristics	Nov-30	Dec-31
Fund total net assets	\$1,454,050,281	\$1,423,383,684
Average term	44 days	45 days
Current yield	4.14%	4.41%
Number of issues	184	163
Number of issuers	43	37

Top 10 Holdings	% Assets
C.I.B.C. B/A	3.33%
T D BANK B/A	2.56%
NATL BK CDA B/A	2.10%
ENBRIDGE GAS INC D/N	2.07%
RIDGE TRUST D/N	1.90%
NATL BK CDA B/A	1.89%
BANK OF N.S. B/A	1.76%
BANK OF N.S. BDN	1.72%
FUSION TRUST D/N	1.66%
BMO FIRST BANK B/A	1.54%

Issuer Type	Nov-30	Dec-31
Financial	25.11%	32.72%
Non-Financial	74.89%	67.28%
Government*	0.00%	0.00%
Mortgages/MBS	0.00%	0.00%
Pooled fund cash	0.00%	0.00%

\*includes federal and provincial government

Rating	Nov-30	Dec-31
R1H	69.36%	73.33%
R1M	4.80%	9.26%
R1L	25.84%	17.41%

## MFA Government Focused Ultra-Short Bond Fund

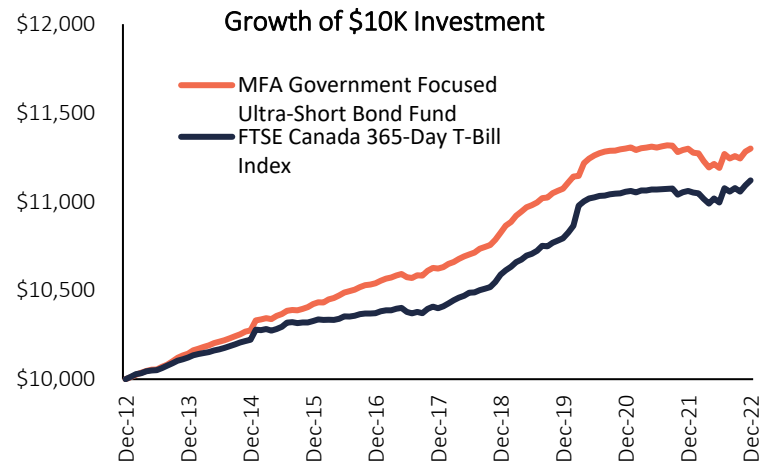
The principal objective of the Government Focused Ultra-short Bond Fund is to provide participating investors with interest income. The Fund aims to achieve moderate capital appreciation by actively managing Fund investments. The Fund will hold assets with maturities no longer than 2 years at the time of purchase.

Over the month, the MFA Government Focused Ultra-Short Bond Fund returned 0.15%, underperforming its benchmark. The fund remains biased towards high-quality provincial and financial corporate bonds given their yield advantage over similar term federal bonds.

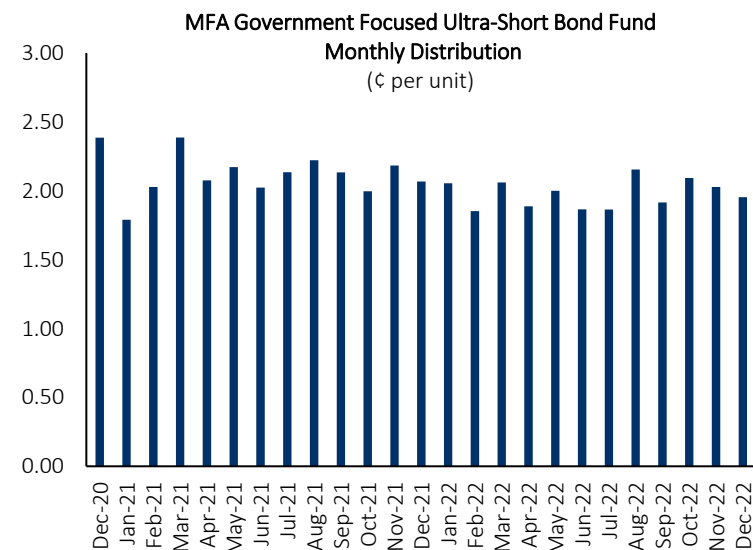
Total Return (%)	1 Month	3 Months	YTD	1 Year	3 Years	5 Years	Since Inception <sup>2</sup>
<b>MFA Government Focused Ultra-Short Bond Fund<sup>1</sup></b>	<b>0.15</b>	<b>0.66</b>	<b>-0.17</b>	<b>-0.17</b>	<b>0.62</b>	<b>1.21</b>	<b>3.15</b>
<i>FTSE Canada 365-Day Treasury Bill Index</i>	<i>0.25</i>	<i>0.79</i>	<i>0.42</i>	<i>0.42</i>	<i>0.87</i>	<i>1.19</i>	<i>2.83</i>
<i>Difference</i>	<i>-0.10</i>	<i>-0.13</i>	<i>-0.59</i>	<i>-0.59</i>	<i>-0.25</i>	<i>0.02</i>	<i>0.32</i>

<sup>1</sup>Total return less than 1 year is not annualized. Portfolio and benchmark performance is net of annualized fee and expenses of 12.5 basis points per annum.

<sup>2</sup>Government Focused Ultra-Short Bond Fund – May 18, 2020 (previously Intermediate Fund - March 30, 1994)



\*Portfolio and benchmark performance is net of fees



\*Distributions include all interest income and coupon payments earned on investments, and are paid monthly. Total income, divided by the total units outstanding on record date, is the income distribution per unit paid to investors.

Fund Characteristics	Nov-30	Dec-31
Fund total net assets	\$339,842,893	\$365,356,753
Average term	0.88 years	0.93 years
Current yield	4.52%	4.75%
Modified duration	0.84 years	0.89 years
Number of issues	10	11
Number of issuers	7	7

Top 10 Holdings	% Assets
Ontario 2.6%, Sep 8, 2023	25.07%
British Columbia 3.3%, Dec 18, 2023	13.35%
Canada Housing Trust 2.6%, Dec 15, 2023	12.74%
Ontario 2.9%, Jun 2, 2023	11.15%
Ontario 3.5%, Jun 2, 2024	8.14%
BMO 2.9%, Mar 6, 2024	8.07%
C.I.B.C. 2.4%, Aug 28, 2024	6.95%
RBC 3.3%, Sep 26, 2023	4.63%
Canada Housing Trust 2.4%, Sep 15, 2023	4.61%
TD 2.9%, Mar 8, 2024	3.19%

Issuer Type	Nov-30	Dec-31
Financial	24.92%	24.94%
Non-Financial	0.00%	0.00%
Government*	75.07%	75.07%
Mortgages/MBS	0.00%	0.00%
Pooled fund cash	0.00%	0.00%

\*includes federal and provincial government

Rating	Nov-30	Dec-31
AAA/R1H	15.13%	17.36%
AA/R1M	59.95%	57.71%
A/R1L	24.92%	24.94%



## MFA Bond Fund

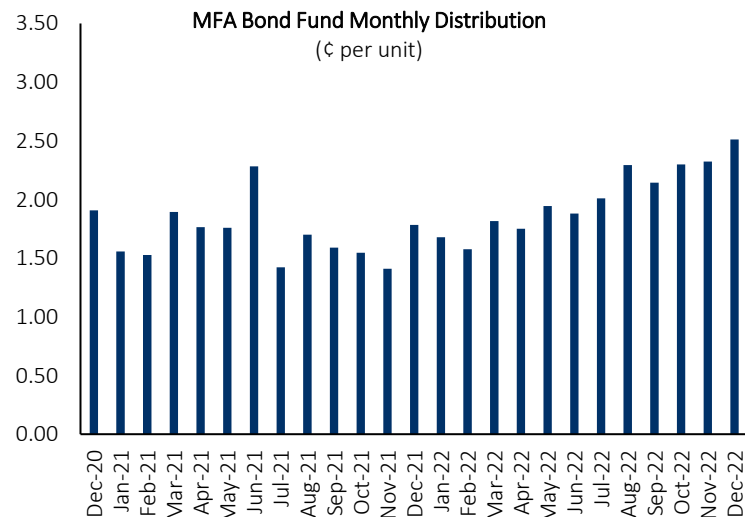
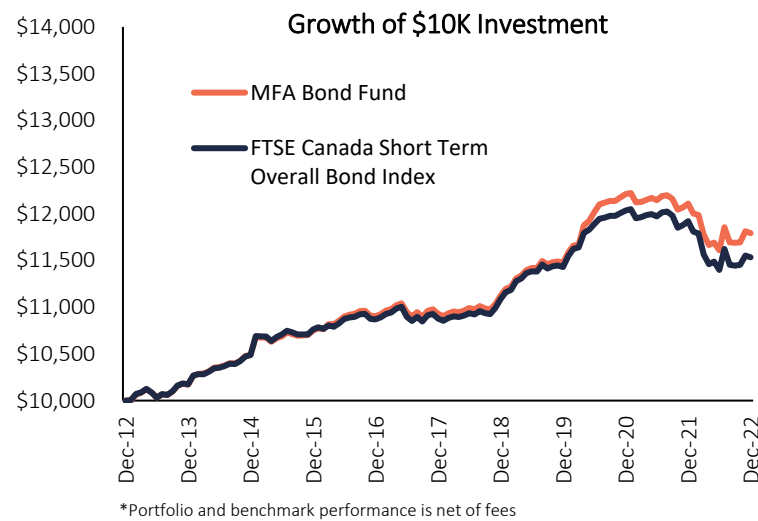
The principal objective of the short-term Bond Fund is to provide participating investors with interest income. The Fund aims to achieve moderate capital appreciation by actively managing Fund investments. The Fund will hold assets with maturities no longer than 7.25 years at the time of purchase. Typically, the fund's duration ranges around 3 years.

The MFA Bond Fund returned -0.18% over the month, performing in-line with its benchmark. The portfolio's short duration relative to the benchmark contributed to relative returns as yields increased, however this was offset by the portfolio's overweight allocation to high-quality credit which detracted from relative returns.

Total Return (%)	1 Month	3 Months	YTD	1 Year	3 Years	5 Years	Since Inception <sup>2</sup>
<b>MFA Bond Fund<sup>1</sup></b>	<b>-0.18</b>	<b>0.85</b>	<b>-3.43</b>	<b>-3.43</b>	<b>0.64</b>	<b>1.36</b>	<b>5.30</b>
<i>FTSE Canada Short Term Overall Bond Index</i>	<i>-0.17</i>	<i>0.62</i>	<i>-4.24</i>	<i>-4.24</i>	<i>-0.17</i>	<i>0.81</i>	<i>4.99</i>
<i>Difference</i>	<i>-0.01</i>	<i>0.23</i>	<i>0.81</i>	<i>0.81</i>	<i>0.81</i>	<i>0.55</i>	<i>0.31</i>

<sup>1</sup>Total return less than 1 year is not annualized. Portfolio and benchmark performance is net of annualized fee and expenses of 20 basis points per annum.

<sup>2</sup>Inception date: May 1, 1989



\*Distributions include all interest income and coupon payments earned on investments, and are paid monthly. Total income, divided by the total units outstanding on record date, is the income distribution per unit paid to investors.

Fund Characteristics	Nov-30	Dec-31
Fund total net assets	\$764,323,210	\$791,170,796
Average term	2.82 years	2.79 years
Current yield	4.39%	4.58%
Modified duration	2.60 years	2.56 years
Number of issues	147	150
Number of issuers	69	68

Top 10 Holdings	% Assets
Canada 3.0%, Nov 1, 2024	7.03%
Canada 2.8%, Sep 1, 2027	4.69%
Canada Housing Trust 3.6%, Dec 15, 2027	3.87%
Canada Housing Trust 1.0%, Jun 15, 2025	3.34%
Canada 3.8%, Feb 1, 2025	3.17%
Canada Housing Trust 1.6%, Dec 15, 2026	3.04%
Quebec 2.8%, Sep 1, 2027	2.98%
North West Redwater Pnr 3.2%, July 22, 2024	1.95%
Canada Housing Trust 1.3%, Jun 15, 2026	1.91%
A.T. & T. Inc 4.0%, Nov 25, 2025	1.79%

Issuer Type	Nov-30	Dec-31
Financial	13.73%	16.02%
Non-Financial	35.67%	34.68%
Government*	38.40%	36.98%
Mortgages/MBS	1.97%	1.89%
Pooled fund cash	10.23%	10.43%

\*Includes federal and provincial government

Rating	Nov-30	Dec-31
Cash & short term	10.23%	10.43%
AAA	32.80%	30.92%
AA	8.63%	9.33%
A	24.52%	26.76%
BBB & below	21.85%	20.67%
Mortgages/MBS	1.97%	1.89%

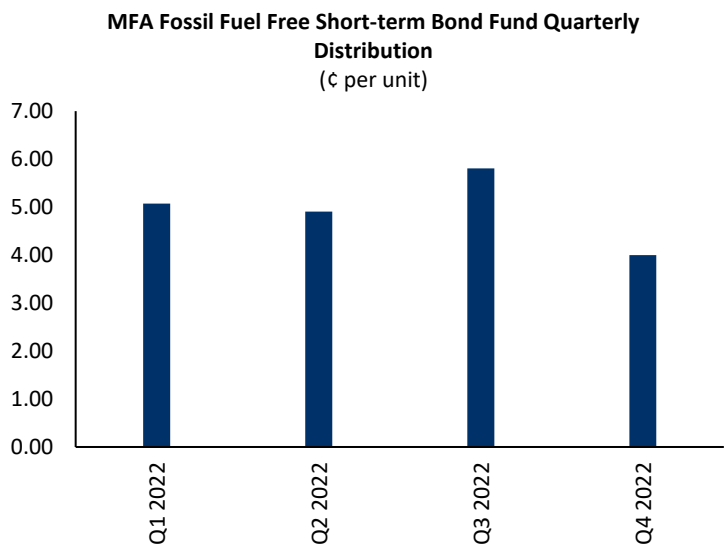
## MFA Fossil Fuel Free Short Term Bond Fund

The principal objective of the Fossil Fuel Free Short-Term Bond Fund is to provide participating investors with interest income. The Fund aims to achieve moderate capital appreciation by actively managing Fund investments. The Fund will hold assets with maturities no longer than 7.25 years at the time of purchase. The Fund shall not invest in securities of Issuers directly involved in the extraction, processing and transportation of coal, oil, or natural gas (“fossil fuels”).

The MFA Fossil Fuel Free Short-Term Bond Fund returned -0.20% over the month, performing in-line with its benchmark. The portfolio’s short duration relative to the benchmark contributed to relative returns as yields increased, however this was offset by the portfolio’s overweight allocation to high-quality credit which detracted from relative returns.

Total Return (%)	1 Month	3 Months	YTD	1 Year	3 Years	5 Years	Since Inception <sup>2</sup>
<b>MFA Fossil Fuel Free Short-term Bond Fund</b>	<b>-0.20</b>	<b>0.79</b>	<b>-3.59</b>	<b>-3.59</b>	-	-	<b>-0.75</b>
<i>FTSE Canada Short Term Overall Bond Index</i>	-0.17	0.62	-4.24	-4.24	-	-	-1.34
<i>Difference</i>	-0.03	0.17	0.65	0.65	-	-	0.59

<sup>1</sup>Total return less than 1 year is not annualized. Portfolio and benchmark performance is net of annualized fee and expenses of 20 basis points per annum. <sup>2</sup>Inception date: May 5, 2020



\*Distributions include all interest income and coupon payments earned on investments, and are paid quarterly. Total income, divided by the total units outstanding on record date, is the income distribution per unit paid to investors.

Fund Characteristics	Nov-30	Dec-31
Fund total net assets*	\$169,639,130	\$199,164,302
Average term	2.83 years	2.79 years
Current yield	4.32%	4.52%
Modified duration	2.62 years	2.56 years
Number of issues	92	99
Number of issuers	40	41

\*MFA owns units of the RBC Vision Fossil Fuel Free Short-term Bond Fund (total size \$311,146,170)

Top 10 Holdings	% Assets
Canada 3.8%, Feb 01, 2025	5.68%
Canada 2.8%, Sep 1, 2027	5.25%
Canada 3.0%, Nov 1, 2024	4.06%
Quebec 2.8%, Sep 1, 2027	3.53%
Canada Housing Trust 1.0%, Jun 15, 2025	3.48%
Canada Housing Trust 3.6%, Dec 15, 2027	2.98%
Canada Housing Trust 1.6%, Dec 15, 2026	2.80%
BMO 2.3% Jun 15, 2026	2.34%
Canada Housing Trust 1.3%, Jun 15, 2026	2.22%
BCI Quadreal Realty 1.7%, March 3, 2025	2.14%

Issuer Type	Nov-30	Dec-31
Financial	18.57%	18.43%
Non-Financial	30.54%	31.73%
Government*	38.70%	35.80%
Mortgages/MBS	1.91%	1.54%
Pooled fund cash	10.28%	12.50%

\*includes federal and provincial government

Rating	Nov-30	Dec-31
Cash & short term	10.28%	12.50%
AAA	33.17%	28.53%
AA	11.28%	12.44%
A	27.54%	28.09%
BBB & below	15.83%	16.89%
Mortgages/MBS	1.91%	1.54%

## MFA Mortgage Fund

The principal objective of the Mortgage Fund is to provide participating investors with interest income, and diversification benefits by capitalizing on the illiquidity premium offered by the Canadian commercial mortgage markets. The Fund shall indirectly invest primarily in first mortgages on income producing commercial properties in Canada with an average term of 2 to 5 years.

The MFA Mortgage Fund returned -0.49% over the month, underperforming its benchmark. The portfolio's longer duration relative to its benchmark detracted from value added as yields increased. This more than offset the impact of commercial mortgage spreads tightening 4 bps during the month. Commercial mortgage spreads ended the month at a spread of 208 basis points over similar-term Government of Canada bonds.

Total Return (%)	1 Month	3 Months	YTD	1 Year	3 Years	5 Years	Since Inception <sup>2</sup>
<b>MFA Mortgage Fund<sup>1</sup></b>	<b>-0.49</b>	<b>0.07</b>	<b>-5.36</b>	<b>-5.36</b>	-	-	<b>0.00</b>
<i>FTSE Canada Short Term Overall Bond Index</i>	-0.17	0.61	-4.29	-4.29	-	-	-0.51
<i>Difference</i>	-0.32	-0.54	-1.07	-1.07	-	-	-0.51

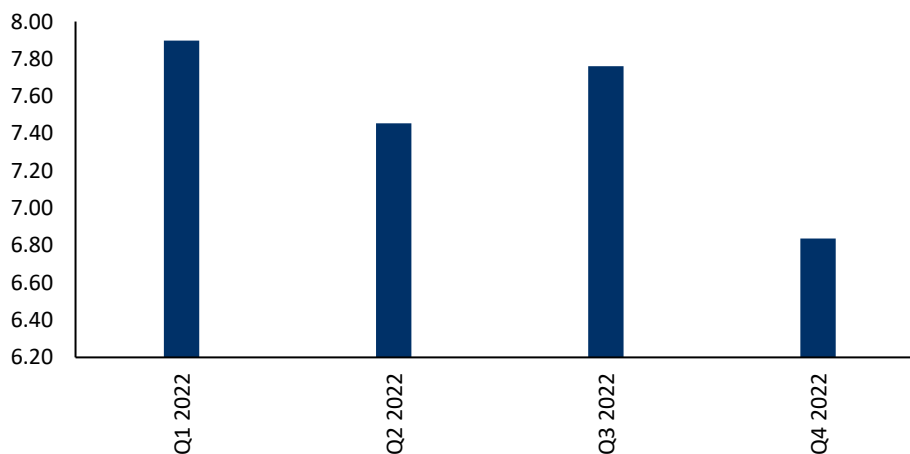
<sup>1</sup>Total return less than 1 year is not annualized. Portfolio and benchmark performance is net of annualized fee and expenses of 25 basis points per annum.

<sup>2</sup>Inception date: January 29, 2020

Fund Characteristics	Nov-30	Dec-31
Fund total net assets*	\$253,588,598	\$252,408,673
Weight average spread	212 bps over similar term GoC bonds	208 bps over similar term GoC bonds
Weighted average amortization	21.8 years	21.8 years
Average term-to-maturity	4.1 years	4.0 years
Current yield	5.61%	5.86%
Weighted average duration	3.2 years	3.1 years
Weighted loan-to-value	52%	52%
Weighted average cash flow coverage	1.7x	1.6x
Number of mortgages	510	494
Largest mortgage	2.3%	2.3%
Marketable securities & cash	7.7%	9.1%

\*MFA owns units of the PH&N Mortgage Pension Trust (total size \$4,948,395,983)

**MFA Mortgage Fund Quarterly Distribution**  
(¢ per unit)



\*Distributions include all interest income and coupon payments earned on investments, and are paid quarterly. Total income, divided by the total units outstanding on record date, is the income distribution per unit paid to investors.

## MFA DMAC Fund

The primary purpose of the DMAC Fund is to invest capital over the long-term to grow at a rate that exceeds inflation, while minimizing risk through asset class selection and diversification. The fund shall be broadly diversified among Fixed Income, Equities and Alternatives. The fund aims to provide risk-adjusted real returns of 3.5% over the long-term.

Over the month, the MFA DMAC fund returned -1.80%, outperforming its benchmark. The RBC QUBE Low Volatility Global Equity Fund and RBC QUBE Fossil Fuel Free Low Volatility Canadian Equity Fund were the top contributors to relative performance over the month as market volatility returned in December, with global indices down over the month. The low volatility strategies performed as expected in this environment, protecting capital and outperforming broad markets due to their emphasis on the highest quality and most stable areas of the market. No strategies materially underperformed their benchmarks during the month.

Please note that the fund is currently in transition while we build up the fund's sector allocations to the target asset mix. As such, relative performance at the headline DMAC fund level is not as indicative of manager skill during this interim period.

Fund Characteristics	Nov-30	Dec-31
Fund total net assets	\$408,870,541	\$408,587,173

Total Return (%)	1 Month	3 Months	YTD	1 Year	3 Years	5 Years	Since Inception <sup>2</sup>
<b>MFA DMAC Fund<sup>1</sup></b>	<b>-1.80</b>	<b>5.67</b>	-	-	-	-	<b>-5.75</b>
<i>MFA DMAC Fund Custom Benchmark<sup>3</sup></i>	-2.49	5.26	-	-	-	-	-5.22
<i>Difference</i>	+0.69	+0.41	-	-	-	-	-0.53
<b>MFA DMAC Fund<sup>1</sup></b>	<b>-1.80</b>	<b>5.67</b>	-	-	-	-	<b>-5.75</b>
<i>Canadian CPI (Non-Seasonally Adjusted) 1-month lag + 3.5%<sup>4</sup></i>	0.37	1.64	-	-	-	-	9.81
<i>Difference</i>	-2.17	+4.03	-	-	-	-	-15.56

<sup>1</sup> Total return less than 1 year is not annualized. Portfolio and benchmark performance is net of annualized fee and expenses of 33 basis points per annum.

<sup>2</sup> Inception date: January 19, 2022

<sup>3</sup> MFA DMAC Fund Custom Benchmark: 2% FTSE Canada 30 Day T-Bill Index, 15% FTSE Canada Short Term Overall Bond Index, 16% FTSE Canada 91 Day T-Bill Index, 17% S&P/TSX Capped Composite Total Return Index, 35% MSCI World Total Return Net Index (CAD), 12% MSCI Emerging Markets Total Return Net Index, 3% Canadian CPI (Non-Seasonally Adjusted) 1-month lag.

<sup>4</sup> MFA DMAC Fund secondary benchmark

Asset Mix	Midpoint Target Allocation <sup>1</sup>	Nov-30	Dec-31
<b>Alternative Investments</b>	<b>15%</b>	<b>6.6%</b>	<b>6.7%</b>
RBC Canadian Core Real Estate Fund	5%	5.3%	5.3%
High Yield Mortgages	5%	1.3%	1.4%
Infrastructure	5%	0.0%	0.0%
<b>Equity Investments</b>	<b>60%</b>	<b>64.7%</b>	<b>64.1%</b>
Emerging Market Equity	10%	11.1%	10.9%
Global Equities (low volatility)	11%	12.9%	12.8%
Canadian Equities	10%	10.9%	10.4%
Global Equities	24%	23.0%	23.3%
Canadian Equities (low volatility)	5%	6.8%	6.6%
<b>Fixed Income Investments</b>	<b>25%</b>	<b>28.7%</b>	<b>29.3%</b>
Canadian Bonds	15%	14.1%	14.7%
Global Bonds	10%	14.6%	14.6%
<b>Cash</b>	<b>0%</b>	<b>0.0%</b>	<b>0.0%</b>

<sup>1</sup>The Fund Manager is authorized to tactically allocate a strategy's total portfolio weight within approved ranges, generally about +/- 5% - these target portfolio weights represent the mid-point of approved ranges

# MFA DMAC Fund – Underlying Fund Gross of Fee Returns<sup>1</sup>

As of December 31, 2022

Total Return (%)	1 Month	3 Months	YTD	1 Year	3 Years	5 Years	Since Inception <sup>2</sup>
<b>PH&amp;N Short Core Plus Bond Fund</b>	<b>-0.13</b>	<b>1.14</b>	-	-	-	-	<b>-2.62</b>
<i>FTSE Canada Short Term Overall Bond Index</i>	-0.15	0.67	-	-	-	-	-3.11
<i>Difference</i>	+0.02	+0.47	-	-	-	-	+0.49
<b>BlueBay Total Return Credit Fund</b>	<b>0.59</b>	<b>5.39</b>	-	-	-	-	<b>-8.19</b>
<i>FTSE Canada 91 Day T-Bill Index</i>	0.34	1.00	-	-	-	-	1.86
<i>Difference</i>	+0.25	+4.39	-	-	-	-	-10.05
<b>PH&amp;N Canadian Equity Fund</b>	<b>-4.69</b>	<b>5.96</b>	-	-	-	-	<b>-5.34</b>
<i>S&amp;P/TSX Capped Composite Total Return Index</i>	-4.90	5.96	-	-	-	-	-5.83
<i>Difference</i>	+0.21	0.00	-	-	-	-	+0.49
<b>RBC QUBE Fossil Fuel Free Low Volatility Canadian Equity Fund</b>	<b>-2.77</b>	<b>5.32</b>	-	-	-	-	<b>-1.62</b>
<i>S&amp;P/TSX Capped Composite Total Return Index</i>	-4.90	5.96	-	-	-	-	-5.83
<i>Difference</i>	+2.13	-0.64	-	-	-	-	+4.21
<b>RBC Vision Fossil Fuel Free Global Equity Fund</b>	<b>-3.67</b>	<b>6.50</b>	-	-	-	-	<b>-11.67</b>
<i>MSCI World Total Return Net Index (CAD)</i>	-4.30	8.24	-	-	-	-	-7.60
<i>Difference</i>	+0.63	-1.74	-	-	-	-	-4.07
<b>RBC QUBE Low Volatility Global Equity Fund</b>	<b>-1.03</b>	<b>8.95</b>	-	-	-	-	<b>2.10</b>
<i>MSCI World Total Return Net Index (CAD)</i>	-4.30	8.24	-	-	-	-	-7.60
<i>Difference</i>	+3.27	+0.71	-	-	-	-	+9.70
<b>RBC Vision Fossil Fuel Free Emerging Markets Equity Fund</b>	<b>-1.56</b>	<b>10.79</b>	-	-	-	-	<b>-9.23</b>
<i>MSCI Emerging Markets Total Return Net Index (CAD)</i>	-1.46	8.18	-	-	-	-	-14.05
<i>Difference</i>	-0.10	+2.61	-	-	-	-	+4.82
<b>PH&amp;N High Yield Mortgage Fund</b>	<b>0.35</b>	<b>1.41</b>	-	-	-	-	<b>3.83</b>
<i>FTSE Canada Short Term Overall Bond Index</i>	-0.15	0.67	-	-	-	-	-0.93
<i>Difference</i>	+0.50	+0.74	-	-	-	-	+4.76
<b>RBC Canadian Core Real Estate Fund</b>	<b>0.42</b>	<b>1.39</b>	-	-	-	-	<b>12.47</b>
<i>Canadian CPI (Non-Seasonally Adjusted) 1-month lag + 4%</i>	0.45	1.86	-	-	-	-	10.58
<i>Difference</i>	-0.03	-0.47	-	-	-	-	+1.89

<sup>1</sup> Total return less than one year is not annualized. Portfolio and benchmark performance is gross of total fees.

<sup>2</sup>Inception date: DMAC Fund – January 19, 2022. <sup>3</sup>Inception date: PH&N High Yield Mortgage Fund – April 1, 2022. <sup>4</sup>Inception date: RBC Canadian Core Real Estate Fund – January 31, 2022.

**Long Term Monitoring**

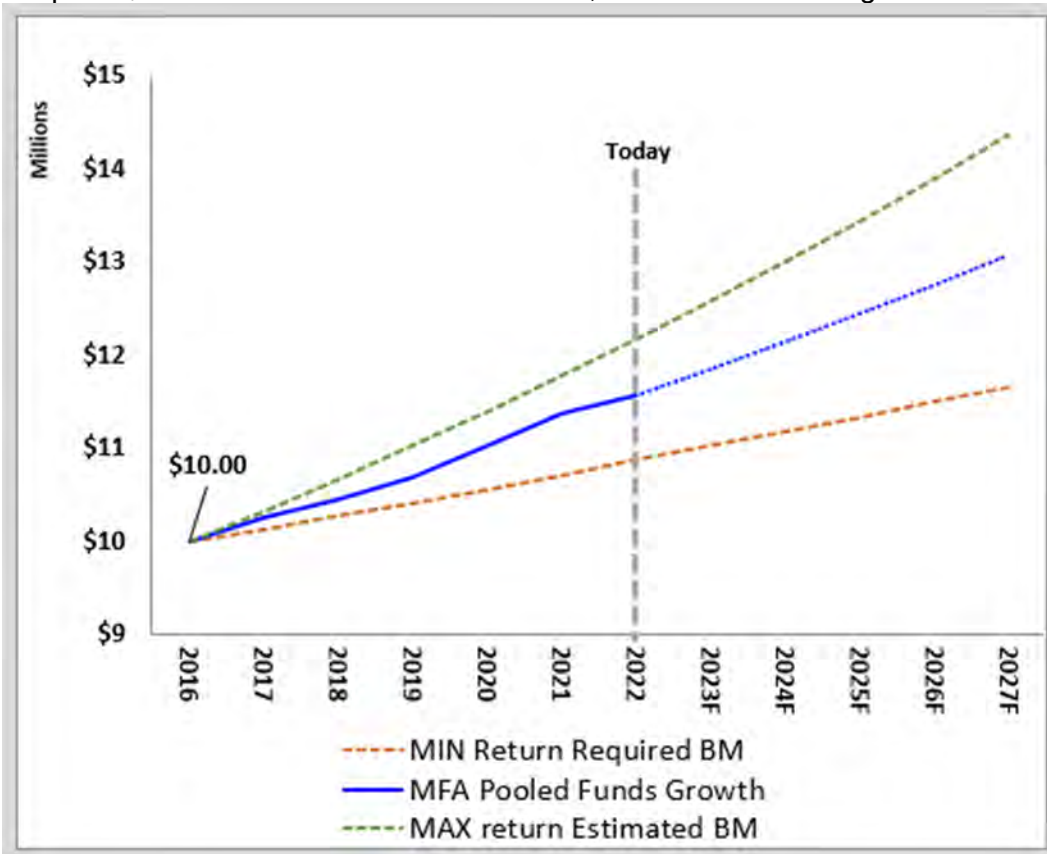
MFA benchmarks each fund to an appropriate benchmark in order to evaluate fund manager performance. The MFA conducts rigorous periodic review of the MFA investment pooled fund performance.

Additionally, CRD treasury staff internally monitor the performance of MFA pooled fund performance over time by comparing historic and forecast performance of MFA pooled funds against a passive long-term benchmark using a rolling average of returns methodology. This methodology reduces the impact of short-term volatility and provides a more realistic picture of long-term investment results.

Actual MFA pooled fund returns are used in the portfolio monitoring and forecasts. Where funds have less than a full 5-year of history, estimated returns are used for performance evaluation at the portfolio level. Rolling GIC data from Statistics Canada are used for the passive long-term minimum benchmark calculations.

Graph 1 shows the actual results when measuring average return on \$10 million initial investment in MFA pooled fund over a long term holding period. The green upper bound is best case return expected and the red is the minimum return required to hold long term investments.









Graph 1: \$10 million Invested in Pooled Fund, actual results in range







## MFA's Suite of Pooled Investment Products

	FFF  (3) Pooled High Interest Savings Accounts	ESG  Money Market Fund	ESG  Government Focused Ultra-short Bond Fund
<i>Key Features</i>	<p> </p> <p></p> <p>Best for soon needed funds.</p> <p>Balances favourable interest rates and liquidity.</p> <p>Monies held with Domestic Systemically Important Banks</p> <ul style="list-style-type: none"> <li> Favourable deposit rates negotiated by MFA</li> <li> Monthly Interest</li> </ul>	<p>This Fund is suited for investors who must maintain adequate liquidity, while benefitting from asset diversification.</p> <p>This Fund holds a portfolio of very short-term securities, focused on high-quality corporates.</p> <p>The Fund seeks a yield advantage through active market and credit analysis.</p> <p style="text-align: center;"><i>Monthly distributions</i></p>	<p>The main objective of this Fund is to provide safety and liquidity.</p> <p>This Fund maintains a bias towards safe and favourable Federal and Provincial Securities, holdings may include up to 25% Big 6 Banks debt securities.</p> <p>Securities acquired for the Fund may have a maximum maturity of 2 years.</p> <p>This Fund does not invest in non-bank corporates.</p> <p style="text-align: center;"><i>Monthly distributions</i></p>
<i>Suggested Investment Time Horizon</i>	0 – 12 months	0 – 24 months	0 – 24 months
<i>Trailing 12-month Total Return * †</i>	N/A	0.285%	0.095%
<i>YTM †</i>	<b>0.72 – 0.80% ‡</b>	<b>0.30%</b>	<b>0.68%</b>
<i>Total Annual Fees</i>	3 bps	12.5 bps	12.5 bps

Management and composition of Funds subject to MFA's Pooled Investment Funds Investment Policies, Objectives, and Guidelines Agreement with Fund Manager(s). || Call MFA for details.

\* Trailing 12-month Total Return equal to change in NAV value plus distributions over the past 365 days to Nov. 30, 2021; past performance does not guarantee future performance. † Gross Return before fees. ‡ Net of Fees.

FFF refers to Fossil Fuel Free defined here as (1) Funds which exclude investments issued by companies directly involved in extracting, processing, or transporting coal, oil or natural gas; and (2) Savings Accounts offered by financial institutions.

ESG integrated refers to Funds which are managed by signatories to the UN's Principles of Responsible Investment.

# MFA's Suite of Pooled Investment Products



	ESD	ESG	FFF	ESG	ESG
	Short-term Bond Fund	Fossil Fuel Free Short-term Bond Fund		Pooled Mortgage Fund	Diversified Multi-asset Class Fund
Key Features	<p>Designed for Investors with a 2 to 5 year investment horizon as the Fund maintains a longer duration versus the MM and Ultra-short Funds.</p> <p>This Fund provides instant diversification through a broad asset mix of high-quality government and corporate securities.</p> <p>The Fund seeks a yield advantage through active market and credit analysis.</p> <ul style="list-style-type: none"> <li>Monthly distributions</li> </ul>	<p>This Fund is benchmarked against the same index as the ST Bond Fund, however screens-out companies involved in the extraction, processing and transportation of coal, oil, and natural gas.</p> <p>Designed for Investors with a 2 to 5 year investment horizon.</p> <p>This Fund provides instant diversification through a broad asset mix of high-quality government and corporate securities.</p> <p>The Fund seeks a yield advantage through active market and credit analysis.</p>		<p>This Fund is designed to provide asset class diversification for local government investment portfolios. Best suited for cash not needed for 3+ years.</p> <p>The Fund invests in high-quality 1<sup>st</sup> mortgages on Canadian income producing commercial properties – such as retail, multi-residential, office and industrial.</p> <ul style="list-style-type: none"> <li>Minimum 1.25x CF coverage</li> <li>Maximum 75% Loan-to-value</li> </ul>	<p>Designed to invest capital over the long-term and grow at a rate that exceeds inflation by 3.5%, while minimizing risk through asset class selection and diversification.</p> <p>The Fund will be broadly invested in Fixed Income, Equities, and Alternative investments.</p> <ul style="list-style-type: none"> <li>Preserve long-term purchasing power</li> <li>Alternative Investments at very attractive pricing.</li> <li>Gain exposure to professionally managed growth assets.</li> </ul>
Suggested Investment Time Horizon	2 – 5 years	2 – 5 years		3 years + (redemption restrictions may apply)	10 years + (redemption restrictions may apply)
Trailing 12-month Total Return * †	-0.68%	-0.77%		1.35%	N/A
YTM †	<b>1.44%</b>	<b>1.42%</b>		<b>2.31%</b>	<b>5.90% §</b>
Total Annual Fees	20 bps	20 bps		25 bps	33 bps

Management and composition of Funds subject to MFA's Pooled Investment Funds Investment Policies, Objectives, and Guidelines Agreement with Fund Manager(s). § estimated.

\* Trailing 12-month Total Return equal to change in NAV value plus distributions over the past 365 days to Nov.30, 2021; past performance does not guarantee future performance. † Gross Return before fees.

FFF refers to Fossil Fuel Free defined here as (1) Funds which exclude investments issued by companies directly involved in extracting, processing, or transporting coal, oil or natural gas; and (2) Savings Accounts offered by financial institutions.

ESG integrated refers to Funds which are managed by signatories to the UN's Principles of Responsible Investment. "Carbon Light" refers to strategies which minimize a portfolio's carbon impact including up to ~40% FFF.



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**ESG Framework**



# DISCLAIMER

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This presentation, including the accompanying slides and subsequent discussion, contains certain forward-looking information, forecasts, projections, goals and strategies (the “forward-looking information”) with respect to revenues, funding, expenses, the financial condition, and results of operations. This forward-looking information represents the Municipal Finance Authority of British Columbia’s expectations or beliefs concerning future events and involves known and unknown risks and uncertainty that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. This material is for information purposes only.

## MFA'S ESG APPROACH

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- Since inception in 1970, MFA's main mandate of providing low-cost lending for local government capital projects has provided tremendous benefits to communities and citizens all across British Columbia
  - MFA has recently committed to increasing its efforts on collecting, standardizing and disseminating more granular data on its lending activities to assist the investment community
- MFA will now provide "Use of Proceeds" disclosure in conjunction with all future bond issues and in our annual report every year
  - MFA's initial approach will be to map its use of proceeds to UN SDG's, Green Bond Principles and Social Bond Principles
  - Management is committed to helping improve both local government and MFA's disclosures over time - in conjunction with expected improvements of global ESG reporting standards
- MFA has no intention of issuing certified labeled bonds. Given our unique model, and until ESG reporting methodologies and standards improve, our efforts will be focused on being a thought leader and promoter of the adoption of common and comparable ESG reporting data by our Members

# ESG FRAMEWORK



The MFA has developed an ESG mapping approach which endeavours to provide Environmental, Social, and Governance disclosure by which investors, bond market participants, and other interested stakeholders can better understand how proceeds from our funding program are used. While our bond issues are not certified as such, we view all of our bond issues as being 'sustainable bonds', used to support and advance various ESG initiatives throughout the province.



Using our new ESG mapping approach, the MFA aims to provide stakeholders with insight into how the capital projects we fund align to not only specific UN Sustainable Development Goals but also recognized Green Bond Principles and Social Bond Principles. These principles have been used to help guide our project mapping approach but should not be construed as a formal framework where explicit impacts are measured at this time. We encourage stakeholders to reach out and dialogue with us as we take initial steps to improve our ESG approach in an effort to provide stakeholders with clearer information regarding our use of proceeds.



# MFA MAPPING TOOL FOR ESG CRITERIA

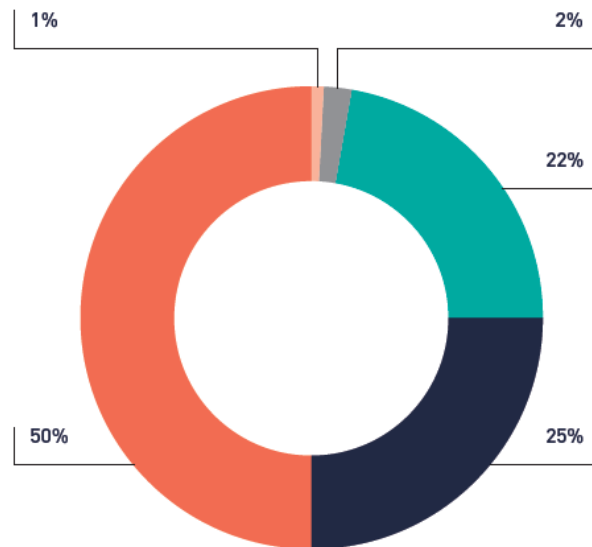


UN SDG Alignment	Green Bond Principles	Social Bond Principles	MFA Purpose of Borrowing	Project Examples In This Category
<b>3 GOOD HEALTH &amp; WELLBEING</b>	-	Access to Essential Services	Health/Social Services	Hospitals, hospital equipment, day cares
<b>6 CLEAN WATER &amp; SANITATION</b>	Sustainable Water & Wastewater Management	Affordable Basic Infrastructure	Water	Water treatment, distribution, storage, water metering
	Sustainable Water & Wastewater Management	Affordable Basic Infrastructure	Sewer/Drainage	Sewage treatment, distribution, storage, storm drainage systems, dikes, flood protection
<b>7 AFFORDABLE &amp; CLEAN ENERGY</b>	Energy Efficiency	Affordable Basic Infrastructure	Renewable Energy Systems	Solar, hydro electric, heat recapture, energy efficiency retrofits
	Renewable Energy	Affordable Basic Infrastructure	Renewable Energy Systems	Solar, hydro electric, heat recapture, energy efficiency retrofits
<b>11 SUSTAINABLE CITIES &amp; COMMUNITIES</b>	Clean Transportation	Affordable Basic Infrastructure	Transportation/Transit	Airports, public transit, cycling and walking infrastructure
	-	Affordable Basic Infrastructure	Roads	Paving, new roads, road safety improvements, bridges, interchanges, street lighting
	Green Buildings	Affordable Basic Infrastructure	Public Safety	Public safety buildings, fire halls, fire trucks
	Green Buildings	Affordable Basic Infrastructure	Local Government Land & Buildings	Land acquisition, City hall, public works buildings, animal shelters, other Local Government owned facilities
	-	Affordable Basic Infrastructure	Communications Utilities	Fibre optic network, TV rebroadcasting, phone network
	Green Buildings	Affordable Basic Infrastructure	Parks/Recreation/Culture	Parkland, park improvements, recreational facilities, libraries, community halls, theaters, museums
	Environmentally sustainable management of natural resources and land use	Affordable Basic Infrastructure	Parks/Recreation/Culture	Parkland, park improvements, recreational facilities, libraries, community halls, theaters, museums
	-	Affordable Basic Infrastructure	Other	Cemetery improvements, cruise ship dock
<b>12 RESPONSIBLE CONSUMPTION &amp; PRODUCTION</b>	Green Buildings	Affordable Housing	Affordable Housing	Social/supportive housing
	Pollution Prevention & Control	-	Solid Waste Management/Recycling	Landfills, landfill closure, recycling facilities, composting facilities, vehicles for these purposes
<b>13 CLIMATE ACTION</b>	Climate Change Adaptation	-	Environmental Conservation/Remediation	Brownfield remediation, habitat restoration
<b>14 LIFE BELOW WATER</b>	Terrestrial & Aquatic Biodiversity Conservation	-	Environmental Conservation/Remediation	Brownfield remediation, habitat restoration
<b>15 LIFE ON LAND</b>	Terrestrial & Aquatic Biodiversity Conservation	-	Environmental Conservation/Remediation	Brownfield remediation, habitat restoration

# TOTAL 2020 DEBT ISSUANCE BY UNSDG



**Total 2020 Debt Issuance by UN Sustainable Development Goal**



- 3 Good Health & Wellbeing
- 6 Clean Water & Sanitation
- 11 Sustainable Cities & Communities
- 12 Responsible Consumption & Production
- 14 Life Below Water

## 2020 New Financing by UN SDG

3 - Good Health & Wellbeing	\$ 79,741,155
6 - Clean Water & Sanitation	317,663,574
11 - Sustainable Cities & Communities	117,247,525
12 - Responsible Consumption & Production	15,921,809
14 - Life Below Water	4,425,937
	<b>\$ 535,000,000</b>

## 2020 Refinancings by UN SDG

3 - Good Health & Wellbeing	\$ 179,081,036
6 - Clean Water & Sanitation	194,361,618
11 - Sustainable Cities & Communities	107,797,032
12 - Responsible Consumption & Production	3,760,314
	<b>\$ 485,000,000</b>

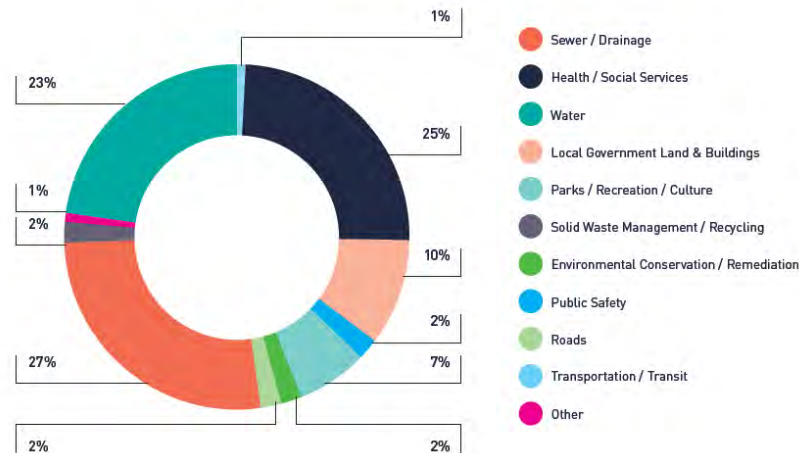
## Total 2020 Financings By UN SDG

3 - Good Health & Wellbeing	\$ 258,822,191
6 - Clean Water & Sanitation	512,025,192
11 - Sustainable Cities & Communities	225,044,557
12 - Responsible Consumption & Production	19,682,123
14 - Life Below Water	4,425,937
	<b>\$ 1,020,000,000</b>

# TOTAL 2020 DEBT ISSUANCE BY PURPOSE



**Total 2020 Debt Issuance by Borrowing Purpose**



	<b>2020 New Financings by Borrowing Purpose</b>	<b>2020 Refinancings by Borrowing Purpose</b>	<b>Total 2020 Debt Issuance by Borrowing Purpose</b>
Environmental Conservation/Remediation	\$ 4,425,936	\$ -	\$ 4,425,936
Health/Social Services	79,741,154	179,081,036	258,822,190
Local Government Land & Buildings	95,736,179	8,768,313	104,504,492
Other	-	5,000,000	5,000,000
Parks/Recreation/Culture	4,854,198	60,909,801	65,763,999
Public Safety	7,974,058	12,157,621	20,131,679
Roads	7,842,660	11,523,888	19,366,548
Sewer/Drainage	228,043,923	45,675,687	273,719,610
Solid Waste Management/Recycling	15,921,809	3,760,314	19,682,123
Transportation/Transit	840,431	9,437,409	10,277,840
Water	89,619,652	148,685,931	238,305,583
	<b>\$ 535,000,000</b>	<b>\$ 485,000,000</b>	<b>\$ 1,020,000,000</b>

# CREDIT RATINGS



## Long-Term Ratings

Agency	Rating	Outlook	Date
S&P	AAA	Stable	May 15, 2020
Moody's	Aaa	Stable	Feb 2, 2021
Fitch	AAA	Stable	April 26, 2021

## Short-Term Ratings

Agency	Rating	Outlook	Date
S&P	A-1+	Stable	May 15, 2020
Moody's	P-1	Stable	Feb 2, 2021



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## REPORT TO FIRST NATIONS RELATIONS COMMITTEE MEETING OF WEDNESDAY, FEBRUARY 22, 2023

---

**SUBJECT**    **First Nations Relations Operational Update**

### **ISSUE SUMMARY**

To provide an update on recent initiatives underway in support of the Board priority of advancing strong relationships with First Nations.

### **BACKGROUND**

#### *Working with Indigenous Elders*

The First Nations Relations Division has produced a Working with Indigenous Elders guidance document for CRD staff (Appendix A). Indigenous elders hold vast knowledge and experience and are highly regarded and carefully cared for within their communities. As the CRD works to respectfully collaborate with and learn from First Nations, showing respect to their elders is of the utmost importance. When elders choose to share their knowledge, it is a gift to be carefully received. We can reciprocate by caring for them, listening attentively, and learning from what they share with us so we can incorporate their teachings and knowledge into our work.

The guidelines provide key etiquette considerations that are intended to support staff when elders collaborate on initiatives with the CRD. These guidelines were developed in collaboration with elders and knowledge keepers on whose territory the CRD operates. This is a living document, and will be updated over time as we learn more.

#### *Conservation and Protection of Heritage Sites*

The First Nations Relations Division is continuing to build relationships with First Nation leadership and staff in the region regarding archaeological and Indigenous cultural heritage management and conservation. Regular meeting series are underway with the Songhees Nation, T'Sou-ke Nation, and the W̱SĀNEĆ Leadership Council on behalf of W̱ JOŁEŁP (Tsartlip) and W̱ SIKEM (Tseycum) First Nations. Lines of communication have also been established with S̱ĀUTW̱ (Tsawout) First Nation and the x̱w̱sepsəm (Esquimalt) Nation.

Related work includes:

- Training and supporting CRD staff to implement the *Conservation and Protection of Heritage Sites Policy* and Archaeological Chance Find Guidelines, and to recognize and respect heritage sites.
- Collaborating with Regional Parks staff, Electoral Area staff and Southern Gulf Islands Parks and Recreation Commissions to engage First Nations regarding infrastructure developments, management plans and mitigation measures for archaeological and Indigenous cultural heritage sites in Regional Parks and EA community parks.
- Providing technical archaeological support, oversight and training for CRD capital projects, ranging from the Goldstream Watermain Replacement to the Mayne Island Regional Trail.
- Participating in the provincial *Heritage Conservation Act* (HCA) Transformation Project to provide local government operational context as the HCA is brought into alignment with the UN Declaration on the Rights of Indigenous Peoples.



- Responding and providing technical support when archaeological chance finds are made by First Nations, staff and contractors.

#### *First Nations Relations Metrics*

In July of 2022, the First Nations Relations Division began tracking metrics related to requests, meetings and various forms of engagement with First Nations. Tracking and sharing these metrics will enable the CRD Board and staff to assess the scope and types of engagement and any changes over time.

The following information is shared with the important caveat that the data for 2022 is incomplete. Tracking started part-way through the year, and doesn't include First Nations engagement that has been led by other CRD divisions, with the exception of the Regional Parks engagement on their Interim Strategic Plan. The data also doesn't include more informal communications such as text messages and phone calls, which are often an indication of a closer working relationship.

In Q3 and Q4 of 2022, the First Nations Relations Division received over 130 internal requests for strategic advice and/or technical support. The Division also received over 84 external requests, including 45 from First Nations and 39 from other organizations or individuals.

Over this time period, the CRD made over 437 communications to 22 First Nations and Indigenous organizations. These included:

- Over 45 communications regarding regulatory referrals for 9 projects requiring formal consultation, for example the Below Deck Repairs Selkirk Trestle and the Core Area Bypass of the McLoughlin Wastewater Treatment Plant;
- Over 335 communications related to non-regulatory engagement and requests for First Nations' input and collaboration, such as election notifications, Indigenous employment scoping, archaeological outreach, and input into strategic plans: and
- Over 57 communications regarding offers or opportunities extended to the Nations, such as honoraria, firewood, gravel, contracts, opportunities for cultural monitors/field technicians to be involved with land altering works, and inclusive governance outreach.

In addition, CRD staff and leadership held over 94 meetings with First Nations. These included:

- 3 leadership-level Government-to-Government meetings involving Board Directors, with 3 Nations.
- 91 staff-level meetings, with 14 First Nations, 2 organizations representing multiple Nations, and 2 urban Indigenous organizations.

While these metrics do not capture all activities of the Division, they do help to illustrate the type and scale of First Nations engagement happening at CRD. First Nations Relations Division staff will continue to refine the tracking system to support future reporting.

#### *Indigenous Intercultural Skills Training for Board Directors*

As directed by the previous Board, staff are organizing a series of Indigenous intercultural training, learning and coaching opportunities to be offered to Board Directors in 2023. To begin, an online 2-hour Cultural Perspectives training will be delivered by Indigenous Perspectives Society on May 24<sup>th</sup> at 1:30pm. Staff are soon to distribute a Request for Proposals to find a skilled consultant who can offer optional one-on-one Indigenous Relations Coaching for Directors who would like support navigating difficult conversations or other aspects of Indigenous relations. Additional opportunities will be shared with the Board as they are made available.

*Forum of All Councils*

The CRD Special Task Force on First Nations Relations Final Report (2018) recommended an annual Forum of All Councils to bring together leadership from First Nations, municipalities, and electoral areas.

With pandemic restrictions now easing, the First Nations Relations Division is organizing a Forum of All Councils for a Saturday in early June, 2023, during Indigenous Peoples Month. Feedback from the 2019 Forum included the request for more sharing of case studies, so the focus for 2023 will be to hear lessons learned from First Nations and municipalities who are actively building their government-to-government relationships. There will also be opportunities for more informal networking over food. The final date and details will be shared as they are confirmed.

**IMPLICATIONS**

*Intergovernmental Implications*

Supporting CRD staff to respectfully engage with Indigenous elders and to collaborate with First Nations on the protection and conservation of heritage sites will help support respectful interactions, build trust and mitigate risks. Intercultural skills training for CRD Board Directors will support the development of respectful government-to-government relationships with First Nations and helps demonstrate a commitment to ongoing learning.

*Alignment with Board Priorities, Existing Plans & Strategies*

The work of the First Nations Relations Division supports the ability of the CRD across all divisions to engage with First Nations on existing and emerging plans and strategies and to implement the CRD's Statement of Reconciliation.

**CONCLUSION**

Recent initiatives of the First Nations Relations Division include a Working with Indigenous Elders guidance document for CRD staff, deepening collaboration with First Nations around the protection and conservation of heritage sites, tracking metrics of engagement, and planning for upcoming training and networking opportunities for Board Directors. These initiatives support the Board priority of advancing strong relationships with First Nations.

**RECOMMENDATION**

There is no recommendation. This report is for information only.

Submitted by:	Caitlyn Vernon, MES, Manager, First Nations Relations
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

**ATTACHMENT**

Appendix A: Working with Indigenous Elders

# Working with Indigenous Elders

## Key Etiquette Considerations



Capital Regional District | First Nations Relations Division

Indigenous elders hold vast knowledge and experience and are highly regarded and carefully cared for within their own communities. Where elders are interested in collaborating with the CRD, it is critical that all staff take the utmost care to consider their needs and preferences. By working to create a respectful, trusting and safe environment we can build working relationships with Indigenous elders.

### Be mindful of etiquette protocols

First Nations should always feel welcomed in their own territory. Treat them as respected representatives of their Indigenous governments who cared for this land long before the CRD existed.

Elders may sometimes have a knowledge keeper or a cultural advisor in attendance to assist in various works. Their participation supports opportunities for sharing, teaching and learning, and they should be cared for and respected in the same manner as the elders.

Misunderstandings or failing to show respect can damage trust and impact working relationships. If there is a misunderstanding please connect with the First Nations Relations Division to discuss next steps. If harm has been done, it will usually be up to the oldest elder to provide a way forward. It may take them some space and time (days, weeks or longer) to determine their response, so please wait patiently and don't push for answers.

### Tips to foster a safe work environment for Indigenous elders

- Assume that you will be responsible for their comfort and safety and for making arrangements.
- Be mindful of the length of the session, whether in-office or on the field. Elders will need more time and breaks as they are more sensitive.
- Create a comfortable space. Provide water, seating and shade during the warmer months. During the colder months, provide shelter, seating and heating.
- Assume mobility issues. Elders and some community members may be limited in their physical abilities and it is important to anticipate and accommodate this. Identify whether your plans require mobility, and if so make alternate plans.
- Show respect by doing your research regarding which territory you are working in and what Indigenous languages are spoken. First Nations' languages vary across the region. Ensure that you are working with elders from the territory of interest.

- Never talk over an elder. First Nations, and especially elders, do not like to be cut off in speaking and may feel disrespected if they are not provided the time and space needed to convey messages, knowledge and teachings. Pauses in the middle of speaking are normal; be patient and allow space for them to continue. It is also considered rude to be having a separate conversation on the side, do not have side conversations while an elder is speaking – be present and mindful.
- Be prepared to learn cultural protocols. Listening and watching with an open mind is a way to show respect.
- Always introduce yourself and greet the elders upon arrival. Depending on the type of meeting, ask the elder whether a blessing is in order and who they think should do this. Before starting a session, always be sure introductions are taken care of. Always include acknowledgement of territory in the opening of a meeting.
- Before any meeting occurs, consider the travel expenses and honoraria that will need to be provided for the work. Expectations for honoraria can vary for each Nation so try to come to an agreement beforehand. In most cases honoraria is provided right after the work is completed, so have it ready.
- Sharing food is encouraged to support the health, mind and words for the good work being provided. Always be cautious of (and assume) diabetic needs. If you are providing food, ask in advance if there are any dietary restrictions to accommodate, and ask about when and how to bring out the food to respect cultural protocols.
- Be aware of your body language. Don't cross your arms in front of elders or Indigenous leadership. If you are invited into ceremony, it is disrespectful to get up or move around during the ceremony.
- Always ask for permission and approval before taking any pictures or videos.
- Consider giving small gifts. They are a kind gesture and are important in relationships. Something made or grown by you or a diabetic treat is always appreciated; tea and scarves are also popular.
- Recognize that some elders speak quietly and very intentionally share information in a soft way. For large rooms, consider asking them if they would be comfortable with a microphone. It is likely they would prefer not to hold a microphone or be tied to a particular spot, so a lavalier microphone might be more appropriate.
- Show respect by listening attentively. Sometimes teachings are shared in ways that don't immediately seem obvious to non-Indigenous people and may come in the form of storytelling. What might seem a tangent might in fact be their way of answering your question with a story. Listen carefully and with an open mind and heart and do not be distracted by technology, put your devices away.

## **Indigenous elders and knowledge keepers**

Recognize that Indigenous knowledge keepers can sometimes be young, and as they are held with the same respect as elders by their community, we should follow similar protocols when working with them.

Indigenous elders hold much respect, power and authority within their communities. As the CRD works to respectfully collaborate with and learn from First Nations, showing respect to their elders is of the utmost importance. When elders choose to share their knowledge, it is a gift to be carefully received. We can reciprocate by caring for them, listening attentively, and learning from what they share with us so we can incorporate their teachings and knowledge into our work.

---

*These guidelines were developed in collaboration with elders and knowledge keepers on whose territory the CRD operates. This is a living document and will be updated over time as we learn more.*



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## REPORT TO HOSPITALS AND HOUSING COMMITTEE MEETING OF WEDNESDAY, MARCH 01, 2023

---

**SUBJECT**     **Lease for 7612 East Saanich Road – (Prosser Place Housing Development)**

### **ISSUE SUMMARY**

The execution of the 60-year lease of the 7612 East Saanich Road housing development to the Capital Region Housing Corporation (CRHC) requires a resolution and approval from the Capital Regional District (CRD) Board of Directors.

### **BACKGROUND**

Previously on April 14, 2021, the CRD Board approved the acquisition of 7612 East Saanich Road housing development (formerly referred to as 1909 Prosser Road) through the Regional Housing First Program (RHFP). A subsequent budget amendment to facilitate the acquisition was approved on October 12, 2022.

The housing development will be known as Prosser Place and is a 51-unit affordable housing development scheduled to be acquired by the CRD and leased to the CRHC in April 2023. The CRD Board approval of a 60-year lease to the CRHC is required to secure financing and complete the sale.

A near final draft of the lease is attached as Appendix A and the final draft will be substantially in the same form as provided.

### **ALTERNATIVES**

#### *Alternative 1*

The Hospitals and Housing Committee recommends to the Capital Regional District Board:

1. That the Chair of the Capital Regional District Board be authorized to execute the 60-year lease of the 7612 East Saanich Road Property (PID 031-883-486) to the Capital Region Housing Corporation.
2. That the Chief Administrative Officer be authorized to execute any agreements or documents and do all things necessary to finalize the acquisition and subsequent lease.

#### *Alternative 2*

That the Lease for 7612 East Saanich Road – (Prosser Place Housing Development) report be referred to staff for additional information.

### **IMPLICATIONS**

The 60-year lease will enable the CRHC to access financing required to complete the acquisition. The approved project budget is \$18,928,091, which includes \$9,501,013 in equity. Equity consists of grant funding from the RHFP, Regional Housing Trust Fund (RHTF), interest accrued from the Rapid Housing Initiative (RHI) fund and forgivable mortgages through Investment in Housing Initiative (IHI) and Deepening Affordability (DA). The CRHC will take on mortgage debt of \$9,427,078. A summary of the equity and financing is provided in Table 1.

RHFP	\$ 4,000,000
RHTF	\$ 615,000
IHI	\$ 3,750,000
DA	\$ 436,013
RHI Interest	\$ 700,000
Mortgage	\$ 9,427,078
<b>Total Project Budget</b>	<b>\$ 18,928,091</b>

The lease payment will be a one-time upfront payment to the CRD and is necessary to complete the sale. The lease will require the CRHC to assume the full and sole responsibility for the condition, operation, repair, replacement, maintenance, and management of the land and building and all related expenses.

**CONCLUSION**

The approval of the lease is required to enable the CRD’s acquisition of the 7612 East Saanich Road housing development and subsequent 60-year lease to the CRHC to be completed.

**RECOMMENDATION**

The Hospitals and Housing Committee recommends to the Capital Regional District Board:

1. That the Chair of the Capital Regional District Board be authorized to execute the 60-year lease of the 7612 East Saanich Road Property (PID 031-883-486) to the Capital Region Housing Corporation.
2. That the Chief Administrative Officer be authorized to execute any agreements or documents and do all things necessary to finalize the acquisition and subsequent lease.

Submitted by:	Don Elliott, MUP, Senior Manager, Regional Housing
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

**ATTACHMENTS**

Appendix A: Draft 60-year Lease of 7612 East Saanich Road from the CRD to the CRHC



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WHEREAS:

- A. The Lessee wishes to provide housing for persons with special housing requirements and/or limited income and agrees to lease the Lands for this purpose.
- B. The Commission, a representative of the Province, has agreed to provide financial assistance in connection with the foregoing.
- C. The Lessor is the owner of the Lands and has agreed to lease to the Lessee the Lands for the Term upon the terms, conditions and provisos herein so that the Lessee may renovate or construct the Building and otherwise use, occupy and enjoy the Lands.

WITNESS that in consideration of the rents reserved and the covenants and agreements set forth below, the parties agree as follows:

THE LESSOR HEREBY DEMISES AND LEASES UNTO THE LESSEE AND THE LESSEE DOES HEREBY TAKE AND RENT THE LANDS, TO HAVE AND TO HOLD THE LANDS UNTO THE LESSEE FOR AND DURING THE TERM AS HEREIN PROVIDED.

IN CONSIDERATION OF THE SUM OF TEN DOLLARS (\$10.00) AND OTHER GOOD AND VALUABLE CONSIDERATION PAID AND PROVIDED BY THE COMMISSION TO BOTH THE LESSOR AND THE LESSEE, BOTH THE LESSOR AND THE LESSEE COVENANT AND AGREE WITH THE COMMISSION THAT THE COMMISSION WILL HOLD AND ENJOY THE RIGHTS, BENEFITS, PRIVILEGES, AUTHORITY AND DISCRETIONS GRANTED TO THE COMMISSION IN THIS LEASE.

#### ARTICLE 1 DEFINITIONS AND INTERPRETATION

- 1.1 Capitalized terms used in this Lease have the meanings specified in this section 1.1, unless otherwise provided in this Lease:
- (a) "Additional Rent" means all sums, costs, expenses and other amounts, if any, payable by the Lessee to the Lessor pursuant to this Lease, including, without limitation, Realty Taxes, payments in lieu of Realty Taxes, Utilities and all sums payable by way of indemnity under this Lease, but excluding Basic Rent;
  - (b) "Alterations" means all alterations, changes, replacements, substitutes, additions and improvements to the Building;
  - (c) "Approved Lender" means any Mortgagee approved by Canada Mortgage and Housing Corporation for the purpose of making loans under the *National Housing Act* (Canada);
  - (d) "Architect" means the architect qualified as such pursuant to the laws of the province of British Columbia who is supervising the design, construction, repair, renovation and/or reconstruction of the Building;
  - (e) "Basic Rent" means twelve million two hundred and eighty nine thousand and seven hundred and twenty one dollars (\$12,289,721.00);
  - (f) "Building" means the building(s) and all other structures constructed and to be constructed on the Lands, together with all Alterations or repairs thereto and

all improvements from time to time constructed upon or affixed or appurtenant to the Lands;

- (g) "Commission" means British Columbia Housing Management Commission or its successors in function;
- (h) "Corporation" means Canada Mortgage and Housing Corporation or its successors in function, or the Commission;
- (i) "Eligible Occupant" means a person who, during the time that such person is an occupant in the Building, meets the criteria prescribed in the Operating Agreement;
- (j) "General Instrument" means the Form C - *Land Title (Transfer Forms) Regulation* pursuant to the *Land Title Act* (British Columbia), and all schedules and addenda to the Form C;
- (k) "Insured Loan" means a loan in respect of which an insurance policy has been issued under the *National Housing Act* (Canada) and is in force;
- (l) "Interest Adjustment Date" means the date from which the principal amount of the Insured Loan together with interest thereon becomes payable by regular instalments;
- (m) "Lands" means all of the Lessor's interest in the land described in the General Instrument, including every incidental right, benefit or privilege attaching to that land or running with it;
- (n) "Lease" means this Lease;
- (o) "Lease Commencement Date" means the date this Lease is registered at the Victoria Land Title Office;
- (p) "Lessee" means Capital Region Housing Corporation;
- (q) "Lessor" means the Capital Regional District;
- (r) "Losses" means liabilities, actions, judgments, claims, losses, damages, fines, penalties, expenses, professional and other fees and disbursements, and costs;
- (s) "Mortgage" means a registered mortgage or registered mortgages granted by the Lessee in accordance with section 16.1 upon or in respect of the interest of the Lessee in the Lands and the Building or any part thereof and includes any deed of trust and mortgage to secure any bonds or debentures issued thereunder;
- (t) "Mortgagee" means a mortgagee or mortgagees under a Mortgage and includes any trustee for bondholders or debenture holders under a deed of trust and mortgage to secure any bonds or debentures issued thereunder;
- (u) "Operating Agreement" means the agreement entered into between the Commission and the Lessee dated for reference \_\_\_\_\_, 2023 that



relates to the management of the Building and the provision of housing to Eligible Occupants;

- (v) "Permitted Encumbrances" means the charges and encumbrances, if any, registered on title in priority to the Lease on the Lease Commencement Date and any other charges specifically approved in writing by both the Commission and the Lessor;
- (w) "Personnel" of a party means, as applicable, the elected officials and directors, officers, employees, servants and agents of that party;
- (x) "Province" means His Majesty the King in Right of the Province of British Columbia;
- (y) "PRHC" means the Provincial Rental Housing Corporation;
- (z) "Prime Rate" means the floating annual percentage rate of interest established from time to time by the main branch of the Bank of Montreal located in Vancouver, British Columbia, or its successor, as the base rate that will be used to determine rates of interest charged by it for Canadian dollar loans to customers in Canada and designated by the Bank of Montreal as its "prime rate";
- (aa) "Realty Taxes" means all assessments for taxes, rates, duties (including school taxes, local improvement rates and other charges levied pursuant to the *Hospital District Finance Act* (British Columbia), the *Municipal Finance Authority Act* (British Columbia) or otherwise and all other charges for services used in or supplied to the Lands and the Building (including penalties and interest) that now are or will or may be levied, rated, charged or assessed against the Lands, the Building, and all other structures, machinery, equipment, facilities and other property of any nature whatsoever located thereon or therein, charged by any municipal, parliamentary, legislative, regional, school or other authority;
- (bb) "Term" means SIXTY (60) years commencing on the Lease Commencement Date;
- (cc) "Trustee" means a trust company duly authorized to carry on business in the Province of British Columbia and appointed by the Corporation, or the Lessor if the Corporation has no interest in the Lands and the Building, for the purposes of Article 9 of this Lease; and
- (dd) "Utilities" means all charges, rates and levies on account of utilities, including for heat, electricity, gas, telephone, television, internet and other costs and expenses of a similar nature, and, if not included in Realty Taxes, for water and garbage collection.

1.2 Any reference in this Lease to legislation will be deemed to include all regulations thereto, all amendments and re-enactments thereof and all successor legislation.

ARTICLE 2  
DEMISE AND PAYMENT OF RENT

2.1 Demise and Basic Rent

- (a) The Lessor hereby demises and leases the Lands to the Lessee, and the Lessee hereby accepts that demise and lease, subject to the covenants, agreements, and conditions herein set out commencing on the Lease Commencement Date for the Term.
- (b) The Lessee covenants and agrees with the Lessor to pay to the Lessor as rent the Basic Rent for the Term on the Lease Commencement Date.

2.2 Net Lease

All Basic Rent and Additional Rent required to be paid by the Lessee hereunder will be paid at such location as the Lessor may stipulate from time to time without any deduction, abatement or set-off whatsoever, it being the intention of this Lease that:

- (a) all expenses, costs, payments and outgoings incurred in respect of the Lands, the Building and any other improvements on the Lands or for any other matter or thing affecting the Lands, will, unless otherwise expressly stipulated herein to the contrary, be borne by the Lessee; and
- (b) the Basic Rent and Additional Rent payable under this Lease will be absolutely net to the Lessor and free of all abatements, set-off or deduction of any costs, payments and outgoing of every nature arising from or related to the Lands, the Building, or any other improvements on the Lands, and the Lessee will pay or cause to be paid all such costs, payments and outgoings.

ARTICLE 3  
PAYMENT OF TAXES

3.1 Payment of Realty Taxes if Lands Not Exempt

The Lessee will, during the Term, no later than the day immediately preceding the date or dates on which the Realty Taxes become due and payable, pay and discharge or cause to be paid and discharged the Realty Taxes and, if requested by the Lessor, will deliver to the Lessor for inspection receipts for payments of the Realty Taxes within fourteen (14) days of such payment. Not later than thirty (30) days following receipt of any tax assessment or notice the Lessor will deliver a copy of such assessment or notice to the Lessee.

3.2 Right to Appeal Assessment

The Lessee will have the right from time to time to appeal, in its own or the Lessor's name, any assessment of the Lands or Building or any Realty Taxes referred to in section 3.1, provided that such appeal will be at the sole expense of the Lessee.

### 3.3 Business Tax and License Fees

The Lessee covenants with the Lessor to pay or cause to be paid during the Term when due every tax and permit and license fee (including penalties and interest) in respect of any and every business carried on, in or upon the Lands or Building or in respect of the use or occupancy of the Lands or Building by the Lessee (and any and every sublessee, permittee and licensee), other than such taxes as corporate income, profits or excess profit taxes assessed upon the income of the Lessee (or such sublessee, permittee and licensee), whether such taxes or permit and license fees are charged by any municipal, parliamentary, legislative, regional or other authority.

### 3.4 Other Taxes

The Lessee will pay when due all goods and services taxes, value-added taxes, sales taxes and consumption based taxes, rates, levies and assessments, including penalties and interest, that are from time to time payable by the Lessee as a result of its rights and obligations contained in this Lease, including but without derogating from the generality of the foregoing, such taxes, rates, levies and assessments payable as a result of any payment obligations herein of the Lessee to the Lessor.

### 3.5 Pro-rating Obligations

In the first and last years of the Term, the Lessee's obligations under section 3.1 and will be pro-rated according to the portion of the year included in the Term, such pro-rating to be on a per diem basis.

### 3.6 Application of Section 3.1

Sections 3.1 will not apply during such time as the Building is used or is intended to be used to house Eligible Occupants and as a result is exempt from Realty Taxes, it being the intent of the parties that the Lands and Building will be exempt from Realty Taxes or payments in lieu of Realty Taxes if the Building is intended to be used to house Eligible Occupants.

## ARTICLE 4 ALTERATIONS TO THE BUILDING

### 4.1 Alterations to the Building

The Lessee will not make or permit to be made any Alterations affecting the structure of the Building or the exterior appearance of the Building without the written approval of the Lessor and the Commission, which approval the Lessor and the Commission will not unreasonably withhold. No Alterations involving an estimated cost of more than Fifty Thousand (\$50,000.00) (in Canadian dollars) will be undertaken until the Lessee has submitted or caused to be submitted to the Lessor and the Commission such drawings, specifications (including the materials to be used), elevations (where applicable), locations (where applicable), exterior decoration and design and such other documentation and information as the Lessor and the Commission may request in connection with the proposed Alterations, and until all of the same have been approved in writing by the Lessor and the Commission, which approval the Lessor and

the Commission will not unreasonably withhold. The Lessee covenants and agrees with the Lessor and the Commission that, subject to section 4.2, all Alterations undertaken by or for the Lessee once begun will be prosecuted with due diligence to completion.

#### 4.2 Unavoidable Delays

If, by reason of strike, lock-out or other labour dispute, material or labour shortage not within the control of the Lessee, fire, explosion, flood, wind, water, earthquake, act of God or other similar circumstances beyond the reasonable control of the Lessee and not avoidable by the exercise of reasonable effort or foresight by the Lessee, the Lessee is, in good faith and without default or neglect on its part, prevented or delayed in achieving the repair of the Building or any part or parts of the Building which under the terms of this Lease the Lessee is required to do by a specified date or within a specified time, the date or period of time within which such work was to have been completed will be extended by the Lessor by a reasonable period of time at least equal to that of such prevention or delay, and the Lessee will not be deemed to be in default if it performs and completes the work in the manner required by the terms of this Lease within such extended period of time or within such further extended period of time as may be agreed upon from time to time between the Lessor, the Lessee and the Commission.

### ARTICLE 5 BUILDERS LIENS

#### 5.1 Builders Liens

In connection with all labour performed on or materials supplied to the Lands the Lessee will comply with, and will cause any contractor hired by it to comply with, the provisions of the *Builders Lien Act* (British Columbia), and with all other statutes applicable in connection therewith and in force from time to time, including any provision or statute requiring or permitting the retention of portions of any sums payable by way of holdbacks.

#### 5.2 Discharge of Builders Liens

If and whenever any builders lien, or other lien or claim arises or is filed against the Lessor's interest in the Lands in connection with work, labour, services or materials supplied to or for the Lessee or for the cost of which the Lessee may in any way be liable, the Lessee will, within fifteen (15) days after receipt of notice of such lien or claim, procure the discharge thereof, and the discharge of any certificate of pending litigation registered in respect of any such lien or claim, by payment or giving security or in such other manner as may be required or permitted by law; provided, however, that in the event of a bona fide dispute by the Lessee of the validity or correctness of any claim for any such lien, the Lessee will not be bound by the foregoing, but will be entitled to defend against the same in any proceedings brought in respect thereof after first paying into a court of competent jurisdiction the amount claimed or sufficient security therefor, and such costs as the court may direct. The Lessor may pay and discharge any lien claim if, in its reasonable judgement, the Lands or the Lessor's interest in the Lands becomes liable to forfeiture or sale, or is otherwise in jeopardy. The Lessee will reimburse to the Lessor any amount paid by the Lessor in discharging a lien claim arising or filed against the Lands and the Lessor's reasonable expenses in connection therewith.

### 5.3 Notice by Lessor

Pursuant to section 3(2) of the *Builders Lien Act* (British Columbia), the Lessor may file in the Land Title Office notice of its fee simple interest in the Lands and for all purposes of this Lease any construction, Alterations or repairs of the Building by the Lessee will be deemed not to be done at the request of the Lessor.

## ARTICLE 6 RESTRICTIONS ON OPERATIONS AND USE

### 6.1 Use

Unless otherwise agreed to in writing by the Lessor and the Commission, the Lessee covenants and agrees with the Lessor and the Commission that neither the Lands nor Building nor any part of the Lands or Building will be used for any purpose except that of housing Eligible Occupants, subject always to the laws, bylaws, regulations and permits governing the use of the Lands and Building from time to time. Neither the Lands nor Building nor any part of the Lands or Building will be used for business, trade or manufacture without the written approval of the Lessor and the Commission, which approval the Lessor and the Commission may arbitrarily withhold. If, however, the Lessor, the Lessee, and the Commission determine that it is not practical or commercially reasonable to continue to carry on the use described in section 6.1, the Lessee may commence to use and occupy the Lands and Building for another use, including a commercial use that is approved by the Lessor and the Commission, and if it elects to do so:

- (a) the Basic Rent will be adjusted, from time to time, to reflect the fair rental value of the Lands, without reference to the Building, given the use to which the Lands and Building are put, from time to time. If the parties cannot agree on the Basic Rent or the dates when the Basic Rent is to be adjusted, the Basic Rent and/or adjustment dates will be settled by arbitration pursuant to Article 19; and
- (b) the Lands and Building will not be exempt from Realty Taxes.

### 6.2 No Nuisance

The Lessee will not carry on, or suffer or permit to be carried on, upon the Lands anything which would constitute a nuisance to the Lessor or to any neighbouring properties or their owners or occupants provided, however, the occupation of the Lands and Building by Eligible Occupants in accordance with the terms of this Lease shall not constitute a nuisance.

### 6.3 No Subdivision

The Lessee covenants that it will not subdivide the Lands or the Building pursuant to the *Strata Property Act* (British Columbia) without the prior written consent of the Lessor and the Commission.

### 6.4 Restriction on Contracting

The Lessee covenants that:

- (a) it will not pay directly or indirectly to any of its directors or their relatives by blood or marriage (including common-law marriage) any money obtained from the operation of the Lands or the Building, or from the operation of other premises leased from the Lessor, or otherwise received from the Lessor, the Commission or the Province, without the express written consent of the Lessor, the Commission and/or the Province, as the case may be;
- (b) it will not, by contract or otherwise, pay to any of its former directors or their relatives by blood or marriage (including common-law marriage), pursuant to any contract or arrangement made when the former director was a director of the Lessee, money obtained from the operation of the Lands or the Building, or from the operation of other premises leased from the Lessor, or otherwise received from the Lessor, the Commission or the Province, without the express written consent of the Lessor, the Commission and/or the Province, as the case may be;
- (c) subject to sub-paragraphs (a) and (b), the Lessee may enter into bona fide arm's length contracts with occupants of the Building for the provision of services in furtherance of the good management of the Lands and the Building; and
- (d) notwithstanding the foregoing, the Lessee may reimburse its directors or occupants of the Building for out-of-pocket expenses incurred for the proper management of the Lands or the Building but only upon the proof of such expenditure by the production of bona fide receipts.

The Lessor may not terminate this Lease on account of a breach of this section 6.4 but such directors will forthwith and forever be disqualified from such directorship.

#### 6.5 Permitted Encumbrances

During the Term, the Lessee, at its expense, will perform and observe all of the obligations of the Lessor and may enjoy all of the rights of the Lessor (but not those rights of the Lessor in its regulatory capacity) set out in the Permitted Encumbrances. None of the Permitted Encumbrances will merge or be deemed to have merged with the Lessor's title to the Lands, and accordingly all Permitted Encumbrances will be deemed to be in full force and effect. The Lessor will execute such documents as might reasonably be requested by the Lessee to enable it to comply with its obligations and to enjoy its rights in respect of the Permitted Encumbrances. The Lessee further covenants and agrees with the Lessor that if the Lessor, in its capacity as a regional government body, exercises any of its rights in its regulatory capacity under the Permitted Encumbrances, such exercise will not be a breach of the Lessor's covenant for quiet enjoyment.

- 6.6 The Commission will not amend or replace the Operating Agreement without the prior written approval of the Lessor. The Lessee shall provide the Lessor with as much advanced written notice as is practicable in the circumstances in the event that the Operating Agreement is terminated.



ARTICLE 7  
REPAIRS AND MAINTENANCE

7.1 Lessor Not Obligated to Repair

The Lessor will not be obliged to furnish any services or facilities or to make repairs or Alterations in or to the Lands or the Building, and the Lessee hereby assumes the full and sole responsibility for the condition, operation, repair, replacement, maintenance and management of the Lands and the Building and all expenses related thereto.

7.2 Repairs by the Lessee

Reasonable wear and tear excepted, so long as the reasonable wear and tear does not unreasonably affect the exterior appearance of the Building:

- (a) the Lessee at the Lessee's cost and expense will put and keep in good order and condition, or cause to be put and kept in good order and condition, the Lands and Building (and any equipment located thereon and therein), both inside and outside, including but not limited to fixtures, walls, foundations, roofs, stairways, elevators (if any) and similar devices, heating and air conditioning equipment, sidewalks, underground parking facilities, yards and other like areas, water and sewer mains and connections, water, steam, gas and electric pipes and conduits, and all other fixtures and appurtenances to the Lands and the Building and machinery and equipment used or required in the operation thereof, whether or not enumerated herein, and will, in the same manner and to the same extent as a prudent owner, make any and all necessary repairs and, subject to section 4.1, Alterations, ordinary or extraordinary, foreseen or unforeseen, structural or otherwise, and keep the Building and any and all fixtures and equipment therein fully usable for the purposes for which the Building was constructed. Such repairs and Alterations will be in all respects to a standard at least substantially equal in quality of material and workmanship to the original work and material in the Building, and will in each case be performed only in accordance with all applicable terms and conditions of the Permitted Encumbrances;
- (b) the Lessee will not commit or suffer waste to the Lands or the Building or any part thereof; and
- (c) if the Lessee does not fulfil its obligations set out in this Article 7, the Lessor or the Commission, through their agents, servants, contractors and subcontractors, may, but will not be obliged to, enter (without hindrance by the Lessee) upon the Lands and the Building as required for the purpose of making any repairs necessary to put the Lands and the Building in good order and condition, provided that the Lessor or the Commission will make such repairs only after giving the Lessee not less than fourteen (14) days written notice of its intention to do so, except in the case of an emergency when no notice will be required. Any costs and expenses (including overhead costs) incurred by the Lessor or the Commission in making such repairs to the Lands and Building will be reimbursed to the Lessor or the Commission, as the case may be, by the Lessee on demand, together with interest at the Prime Rate plus three percent (3%) per annum, calculated and compounded monthly, from the date incurred until the date paid.

### 7.3 Removal of Ice and Snow from Sidewalks

The Lessee covenants and agrees with the Lessor that if the Lessee at any time fails to keep the public sidewalk adjacent to the Lands reasonably clean from rubbish, ice and snow during the times and to the extent lawfully required of an owner or occupier, the Lessor, through its agents, servants, contractors and subcontractors, may remove such rubbish, ice and snow and the Lessor will not be required to give the Lessee any notice of its intention to do so. Any costs and expenses incurred by the Lessor in removing such ice and snow will be reimbursed to the Lessor by the Lessee on demand, together with interest at the Prime Rate plus three percent (3%) per annum, calculated and compounded monthly, from the date incurred until paid.

## ARTICLE 8 ADDITIONAL RENT

### 8.1 All Defaults in Payment as Additional Rent

If the Lessee defaults in the payment of any sums required to be paid by it pursuant to the terms of this Lease, or fails to fulfil any of its obligations under this Lease, the Lessor may (but will be under no obligation to do so) pay such sums or fulfil such obligations on behalf of the Lessee, and any losses, costs, charges and expenses suffered by the Lessor as a result, including sums payable by way of indemnity, whether or not expressed in this Lease to be rent, may at the option of the Lessor be treated as and deemed to be Additional Rent, in which event the Lessor will have all remedies for the collection of such sums, costs, expenses or other amounts when in arrears as are available to the Lessor for the collection of rent in arrears.

## ARTICLE 9 INSURANCE

### 9.1 Commercial General Liability Insurance

The Lessee will effect and keep in force commercial general liability insurance with limits of not less than Ten Million Dollars (\$10,000,000), or such other amount as the Lessor and the Commission may require from time to time, per occurrence, against public liability claims for bodily injury, death and property damage (including loss of use) arising from the Lessee's use and occupancy of the Building and from any occurrence or accident on the Lands or Building. Such insurance will be written on an occurrence basis and will provide for blanket contractual liability, including liability assumed by the Lessee under this Lease. The policy will also contain a cross liability or severability of interests clause and will name the Lessor, the Commission and their respective Personnel as additional insureds with respect to third party claims arising out of the Lessee's operations pursuant to this Lease.

### 9.2 All Risk Property and Pressure Vessel Insurance

The Lessee will effect and maintain property insurance in the joint names of the Lessor, the Commission and the Mortgagee (if any) as their interests may appear, to the full replacement value of the Building and fixtures on the Lands, protecting them against "All Perils" of loss or damage including flood, sewer backup and earthquake, and will include boilers and pressure vessels, protecting against usual perils, including damage caused by rupture of steam pipes. The policies described in this section 9.2

will contain a clause directing insurers to make losses payable to the Lessee, the Lessor, the Commission and the Mortgagee as their interests may appear.

### 9.3 Insurance - Additional Provisions

The following provisions will apply to all policies of insurance which are referred to in this Article 9:

- (a) the policies will be primary and non-contributing with respect to any policy or self-insured fund otherwise held or established on behalf of the Lessor or the Commission;
- (b) the stated amount of value insured under property policies will be of sufficient amount that none of the Lessee, the Commission nor the Lessor will become co-insurers with respect to any loss claimed against the insurance;
- (c) each policy will be written on a form acceptable to the Lessor and the Commission and with insurers licensed to do business in the Province of British Columbia and acceptable to the Lessor and the Commission;
- (d) any deductible amounts applying to a claim against a policy will be of an amount approved by the Lessor and the Commission;
- (e) each policy will contain a clause requiring that the insurers provide to the Lessor and the Commission a minimum of sixty (60) days prior written notice of any cancellation (except for cancellation resulting from non-payment of premiums, in which case applicable statutory provisions will apply); and
- (f) all premiums and deductibles required under said policies will be paid by the Lessee to the insurers and proof of such payment will be submitted to the Lessor and the Commission.

In addition to the notification obligations of the insurers required by section 9.3(e), the Lessee will provide to the Lessor and the Commission a minimum of sixty (60) days prior written notice of any cancellation, lapse or material change resulting in reduction of coverage, either in whole or in part, in respect of any of the policies of insurance which are referred to in this Article 9.

### 9.4 Evidence of Insurance

Prior to the Lease Commencement Date the Lessee will provide the Lessor and the Commission with evidence of all insurance required to be taken out pursuant to this Lease, in the form of one or more detailed certificates of insurance, in such form(s) and contents as the Lessor and the Commission requests. Each certificate of insurance must identify the Lease number, policy holder and subject matter, and must not contain any disclaimer. Thereafter, and throughout the Term, forthwith upon request by the Lessor or the Commission, similar evidence of renewals, extensions or replacement of such insurance will be provided in the form of such certificate(s) of insurance. In addition, if requested by the Lessor or the Commission at any time, the Lessee will forthwith deliver to the Lessor or the Commission, as applicable, a certified copy of each insurance policy requested.

## 9.5 Payment of Loss Under Insurance Policies

The insurance monies payable under the policies of insurance referred to in this Article 9, will, notwithstanding the terms of the policy or policies, be paid to the Trustee on behalf of the Lessee, the Lessor, the Commission and the Mortgagee. The Lessee, the Lessor and the Commission agree that the Trustee will, subject to section 10.5, pay for all restoration, reconstruction or replacement of the loss or damage in respect of which such insurance monies were paid to the Trustee out of such insurance monies in accordance with certificates of the Architect or such other person as the Lessee, the Lessor and the Commission may agree upon and who is in charge of such restoration, reconstruction or replacement, after receiving such other certificates, evidence or opinions as the Trustee will require for the purpose of being satisfied that such restoration, reconstruction or replacement is being properly carried out. If the Lessee fails to restore, reconstruct or replace the loss or damage in respect of which the insurance monies were paid to the Trustee within a reasonable time, the Lessor and the Commission will be entitled to effect such restoration, reconstruction or replacement and the Trustee will pay such insurance monies to the Lessor or the Commission in the same manner that the Trustee would have done had the Lessee effected such restoration, reconstruction or replacement.

## 9.6 Workers Compensation Coverage

At all times during the Term, the Lessee will, and will cause its Personnel and all others engaged in or upon any work on the Building or the Lands to, comply with the *Workers Compensation Act* (British Columbia) (the "WCA") and the requirements and regulations under the WCA in respect of the Building and the Lands. Without limiting the generality of the foregoing, the Lessee will:

- (a) require as a condition of any agreement made with respect to construction, repair, renovation or demolition of the Building, whether with contractors, materialmen or otherwise, that there is full workers compensation insurance coverage in place in respect of all workers, employees, servants and others engaged in or upon any work, and that all workers, contractors or other persons require the same of their workers and subcontractors. The Lessee will immediately notify the Lessor and the Commission of any dispute involving third parties that arises in connection with obtaining and maintaining the workers compensation insurance coverage required hereby if such dispute results or may result in the required insurance coverage not being in place, and the Lessee will take all reasonable steps to ensure resolution of such dispute forthwith. The Lessee will further ensure that no amount payable pursuant to the WCA is left unpaid so as to create a lien on the Lands or the Building. If the workers compensation insurance coverage required by this section 9.6 is not in place, the Lessor and the Commission will be entitled to have recourse to all remedies specified in this Lease or at law or equity; and
- (b) be deemed to be, and is hereby designated and appointed by the Lessor as, the "Prime Contractor" as that term is defined in section 118 of the WCA for the purposes of the WCA and related regulations, including the Occupational Health and Safety Regulation (the "OHS Regulation"), and the requirements and regulations of WorkSafeBC, and will in that capacity strictly comply with all requirements applicable to that designation, as they may be amended from time to time. Notwithstanding the foregoing, with the prior written consent of

the Lessor, a contractor hired by the Lessee to perform work on the Lands on its behalf may be designated as the Prime Contractor instead of the Lessee.

9.7 Release of Lessor and Commission from Liability for Insured Loss or Damage

The Lessee hereby releases the Lessor and the Commission and their respective Personnel, whether or not the Lessor, the Commission and their respective Personnel have been negligent, from any and all liability for loss or damage caused by any of the perils against which the Lessee will have insured or is obligated to insure pursuant to the terms of this Lease or any applicable law, or self insures if section 9.8 applies, the intent being that the Lessee's policies of insurance will contain a waiver of subrogation in favour of the Lessor and the Commission or, if section 9.8 applies, the Lessee will release the Lessor and the Commission from any and all liability for loss or damage caused by the perils referred to in sections 9.1 and 9.2 to the same extent as if the Lessee had taken out insurance.

9.8 Insurance Exemption for Corporation and PRHC

Notwithstanding anything contained in this Lease, if for any reason and at any time the Corporation or PRHC is the Lessee, the Corporation or PRHC, as the case may be, will not be under any obligation to take out and keep in force any of the insurance required to be taken out and kept in force under sections 9.1 and 9.2 of this Article, provided that the Corporation or PRHC, as the case may be, has in place a program of self insurance that provides the same or better coverage than the insurance coverage described in this Article.

ARTICLE 10  
DAMAGE OR DESTRUCTION

10.1 Rent Not to Abate

Subject to the provisions of sections 10.5 and 10.6, the partial destruction or damage or complete destruction by fire or other casualty of the Building will not result in the termination of this Lease or entitle the Lessee to surrender possession of the Lands or the Building or to demand any abatement or reduction of the Basic Rent or Additional Rent or other charges payable under this Lease, any law or statute now or in the future to the contrary notwithstanding.

10.2 Lessee's Obligation When Building Partially Damaged or Destroyed

Subject to the provisions of sections 10.5 and 10.6, the Lessee covenants and agrees with the Lessor and the Commission that in the event of partial damage to or partial destruction of the Building, the Lessee will either:

- (a) replace any part of the Building damaged or destroyed with a new structure in accordance with any agreement which may be made by the Lessee with the Lessor and the Commission; or
- (b) in the absence of any such agreement, repair or replace such damage or destruction to a standard comparable to the standard of the structure being repaired or replaced.

### 10.3 Lessee's Obligations When Building Completely or Substantially Destroyed

Subject to the provisions of sections 10.5 and 10.6, the Lessee covenants and agrees with the Lessor and the Commission that in the event of complete or substantially complete destruction of the Building, the Lessee will either:

- (a) reconstruct or replace the Building with a new structure or structures in accordance with any agreement which may be made by the Lessee with the Lessor and the Commission; or
- (b) in the absence of any such agreement, replace the Building with a new structure or structures comparable to the structure or structures being replaced.

### 10.4 Replacement, Repair or Reconstruction

Any replacement, repair or reconstruction of the Building or any part thereof pursuant to the provisions of section 10.2 or 10.3 will be made or done in compliance with section 4.1 and Article 7.

### 10.5 Special Provisions Where Approved Lender or Corporation is Mortgagee

- (a) If the Building is damaged or destroyed to the extent of at least twenty-five percent (25%) of the full replacement cost of the Building, and at the time of such damage or destruction the Mortgagee is an Approved Lender, and such Mortgagee notifies the parties that the insurance monies made available by reason of the casualty causing such damage or destruction will not be applied in repairing, reconstructing or replacing the Building, and the right to so elect is reserved to the Mortgagee under the terms of the Mortgage, then the Lessee may decline to repair, reconstruct or replace the Building and instead elect to terminate this Lease, provided that the Lessee makes such election within sixty (60) days after the date on which the Building was so damaged or destroyed and notifies the Lessor and the Commission of its election forthwith after making it. If the Lessee does not elect to so terminate this Lease, then the Lessee will repair, reconstruct or replace the Building or any part thereof damaged or destroyed in accordance with section 10.2 or section 10.3, as the case may be, and section 10.4;
- (b) If the Mortgagee is the Corporation and it attorns to the Lessor as tenant and undertakes to be bound by and perform the covenants and agreements of the Lease, and subsequently during the Term the Building is damaged or destroyed to the extent of at least twenty-five percent (25%) of the full replacement cost of the Building, the Corporation as tenant may at its option either repair, reconstruct or replace the Building so damaged or destroyed or decline to repair, reconstruct or replace the Building and instead elect to terminate this Lease, provided that the Corporation as tenant makes such election within sixty (60) days after the date on which the Building was so damaged or destroyed and notifies the Lessor and the Commission of its election forthwith after making it. If the Corporation as tenant does not so elect to terminate this Lease, then the Corporation as tenant will repair, reconstruct or replace the Building or any part thereof damaged or destroyed in accordance with section 10.2 or section 10.3, as the case may be, and section 10.4;

- (c) As soon as reasonably possible, but not later than one hundred and eighty (180) days following the date of termination of this Lease by the Lessee pursuant to section 10.5(a) or section 10.5(b), the Lessee will demolish and completely remove the Building and all foundations and debris from the Lands and restore the Lands to a neat and level condition in a good and workmanlike manner. Any insurance money payable by reason of any fire or other casualty causing such destruction will, notwithstanding the provisions of Article 9, be distributed as follows:
- (i) firstly, to reimburse the Lessee for all costs and expenses necessarily incurred by the Lessee in the demolition and removal of the Building and all foundations and debris from the Lands and the restoration of the Lands as aforesaid;
  - (ii) secondly, to pay and satisfy the Mortgage, if any;
  - (iii) thirdly, to pay the balance of the insurance monies, if any, as follows:
    - A. to the Lessor, the amount calculated as follows:  
$$\text{amount payable} = (\text{balance of insurance monies}) \times (\text{days in expired portion of the Term} \div \text{total days in Term}); \text{ and}$$
    - B. to the Lessee, the amount calculated as follows:  
$$\text{amount payable} = (\text{balance of insurance monies}) \times (\text{days remaining in the Term} \div \text{total days in Term}),$$provided however that any amount so payable to the Lessee will be paid directly to the Commission;
- (d) Notwithstanding anything contained herein, in the event the Lessee terminates this Lease in accordance with this section 10.5, this section will nevertheless survive such termination and remain in full force and effect and be binding upon the parties and their respective successors and assigns so long as any obligations of the parties under this section 10.5 or any part thereof remains unperformed; and
- (e) The provisions of this section 10.5 are subject always to the provisions of section 10.6.

#### 10.6 Destruction or Damage During Last Five Years of Term

- (a) In the event of the complete or substantial destruction of the Building during the last five (5) years of the Term, the Lessee may, at its option, either reconstruct or replace the Building so destroyed or damaged in accordance with section 10.3 or decline to do so, and instead elect to terminate this Lease, provided that the Lessee makes such election within sixty (60) days after the date on which the Building was so destroyed and notifies the Lessor of its election forthwith after making it;



- (b) As soon as reasonably possible, but not later than one hundred and eighty (180) days following the date of termination of this Lease by the Lessee pursuant to section 10.6(a), the Lessee will demolish and completely remove the Building and all foundations and debris from the Lands and restore the Lands to a neat and level condition in a good and workmanlike manner. Any insurance money payable by reason of any fire or other casualty causing such destruction will, notwithstanding the provisions of Article 9, be distributed as follows:
- (i) firstly, to reimburse the Lessee for all costs and expenses necessarily incurred by the Lessee in the demolition and removal of the Building and all foundations and debris from the Lands and the restoration of the Lands as aforesaid;
  - (ii) secondly, to pay and satisfy the Mortgage, if any;
  - (iii) thirdly, to pay the balance of the insurance monies, if any, as follows:
    - A. to the Lessor the amount calculated as follows:  
$$\text{amount payable} = (\text{balance of insurance monies}) \times (\text{days in expired portion of the Term} \div \text{total days in Term}); \text{ and}$$
    - B. to the Lessee the amount calculated as follows:  
$$\text{amount payable} = (\text{balance of insurance monies}) \times (\text{days remaining in the Term} \div \text{total days in Term}),$$
- provided however that any amount payable to the Lessee will be paid directly to the Commission; and
- (c) Notwithstanding anything contained herein, in the event the Lessee terminates this Lease in accordance with this section 10.6, this section 10.6 will nevertheless survive such termination and remain in full force and effect and be binding upon the parties and their respective successors and assigns so long as any obligations of the parties under this section 10.6 or any part thereof remains unperformed.

ARTICLE 11  
INSPECTION AND EXHIBITION BY LESSOR

11.1 Inspection by Lessor and Commission

The Lessor and the Lessee agree that it will be lawful for representatives of the Lessor and the Commission to enter the Lands and the Building at all reasonable times during the Term, with prior written notice to the Lessee, to examine the condition thereof. If the Lessor or the Commission determines that any of the repairs described in section 7.2 are required, notice of such required repairs will be given by the Commission or the Lessor to the Lessee, and the Lessee will within thirty (30) days after every such notice, or such longer period as provided in section 18.1(d), repair and make good accordingly.

## 11.2 Exhibition by Lessor

During the final year of the Term, the Lessor will be entitled to display upon the Lands the usual signs advertising the Lands and Building as being available for purchase or lease, provided such signs are displayed in such a manner as not to unreasonably interfere with the Lessee's use and enjoyment of the Lands and the Building.

### ARTICLE 12 OBSERVANCE OF GOVERNMENTAL REGULATIONS

## 12.1 Compliance

The Lessee covenants to competently and faithfully observe and comply with all laws, bylaws and lawful orders which apply to the Lands and the Building or the Lessee's occupation of or activities on the Lands or in the Building, and to not use or occupy or permit to be used or occupied the Lands or the Building or any part thereof for any illegal or unlawful purpose or in any manner which would result in the cancellation or threatened cancellation of any insurance, or in the refusal of any insurer to issue any insurance as requested. If any law, bylaw or lawful order is directed at or places a duty or obligation upon the Lessor, with reference to the Lands and Buildings, then the same will be performed and observed by the Lessee, at its cost, in the place and stead of the Lessor.

### ARTICLE 13 RIGHTS OF LESSOR AND LESSEE

## 13.1 As Landlord and Tenant

All rights and benefits and all obligations of the Lessor and the Lessee under this Lease will be rights, benefits and obligations of the Lessor and the Lessee respectively in their capacities as landlord and tenant respectively under this Lease.

### ARTICLE 14 EXCLUSION OF LIABILITY AND INDEMNITY

## 14.1 Limitation of Liability and Release

Neither the Lessor nor the Commission nor their respective Personnel or contractors will be liable for, and the Lessee hereby releases the Lessor, the Commission and their respective Personnel and contractors from all Losses, including without limitation, Losses as a result of:

- (a) any bodily injury or death, however caused, suffered or sustained in or about the Lands or the Building; or
- (b) any property damage or other loss or damage of any nature whatsoever, however caused, to the Lands or the Building, or to any property belonging to the Lessee or to any other person in or about the Lands or the Building,

whether such Losses arise from an exercise of the Lessor's or the Commission's respective rights or privileges herein or otherwise, unless resulting from the respective negligence or unlawful acts of the Lessor, the Commission or their respective

Personnel or contractors, as the case may be. For certainty, if the Commission becomes the Lessee, then the limitation of liability and release in favour of the Commission as contained in this section will not apply.

#### 14.2 Exclusion of Liability

Notwithstanding section 14.1, neither the Lessor nor the Commission nor their respective Personnel or contractors will be liable for:

- (a) consequential, business, economic or indirect loss or damage of any nature whatsoever, however caused, which may be suffered or sustained by the Lessee or any other person who may be in or about the Lands or the Building; or
- (b) any loss against which the Lessee is obligated to insure or has insured.

#### 14.3 Indemnification

The Lessee hereby agrees to indemnify and save harmless the Lessor, the Commission and their respective Personnel and contractors from and against all Losses which the Lessor, the Commission or their respective Personnel or contractors may suffer or incur arising out of, or in any way connected with this Lease; provided, however, that such indemnity will not apply to the extent, if any, to which such Losses result from the respective negligence or unlawful acts of the Lessor, the Commission or their respective Personnel or contractors, as the case may be. Without derogating from the generality of the foregoing, the Lessee agrees to indemnify and save harmless the Lessor, the Commission and their respective Personnel and contractors in respect of all Losses:

- (a) as a result of bodily injury or death, property damage or other damage arising from the conduct of any work by or any act or omission of or relating to or arising from the occupation or possession of the Lands and the Building by the Lessee or any assignee, subtenant, Personnel, contractor, invitee or licensee of the Lessee; or
- (b) suffered or incurred by the Lessor, the Commission or their respective Personnel and contractors that arise, whether directly or indirectly, from any breach by the Lessee, its Personnel, contractors or any other person for whom the Lessee is responsible in law, of any of its covenants and obligations under this Lease.

#### 14.4 Indemnification Survives Termination of Lease

The obligations of the Lessee to indemnify the Lessor, the Commission and their respective Personnel and contractors will apply and continue notwithstanding the termination or expiration of this Lease.

#### 14.5 Indemnity Exemption for PRHC

None of the provisions of the Lease, including section 24.2(g) which require the Lessee to indemnify the Lessor or the Commission will apply if PRHC is the Lessee under this Lease. However, upon the request of the Lessor, PRHC agrees to apply to the Minister

of Finance to allow PRHC to grant such indemnities, and PRHC will use reasonable efforts to obtain the necessary consent so as to grant such indemnities to the Lessor.

## ARTICLE 15 SUBLETTING AND ASSIGNING

### 15.1 Subletting and Assigning by Lessee

The Lessee will not sublease, assign, transfer, sell or encumber its interest in the Lease or enter into any agreement for the purpose of sub-leasing, assignment, transferring, selling or encumbering its interest in the Lease, the Building or the Lands, except as expressly permitted in this Lease, or with the prior written consent of the Lessor and the Commission, which consent the Lessor and the Commission may arbitrarily withhold; provided, however, that if the Lessee is PRHC, the Corporation or a Mortgagee which is an Approved Lender, the Lessor and the Commission will not unreasonably withhold their consent. The Lessee may sublet or grant licences or other rights to occupy or use any part of the Building to:

- (a) Eligible Occupants; or
- (b) staff and other personnel authorized by the Lessor and the Commission who are required to operate and maintain the Building and the Lands for the purposes of this Lease.

### 15.2 Copies of Subleases

If requested by the Lessor or the Commission, a copy of any or all such subleases will be forwarded to the Lessor or the Commission, as the case may be, within thirty (30) days after entering into such subleases, together with particulars of registration (if any) in the Land Title Office.

### 15.3 Where Mortgagee is Approved Lender, Commission or Corporation

If a Mortgagee which is an Approved Lender, the Commission or the Corporation takes an assignment of the rents payable to the Lessee by holders of occupation rights granted by the Lessee pursuant to section 15.1, the Lessee is permitted to enter into such assignment of rents, without the consent of the Lessor or the Commission, as collateral or additional security for an Insured Loan, if such Mortgagee has registered that assignment in the Land Title Office as a charge against the interest of the Lessee in the Lands and the Building or any part thereof. The Lessor agrees that such an assignment of rents will have priority over any similar assignment of those particular rents granted to the Lessor by this Lease.

## ARTICLE 16 MORTGAGE

### 16.1 Mortgaging by Lessee

The Lessee may mortgage its leasehold interest in the Lands and the Building only with the prior written consent of the Lessor and the Commission, which consent may not be unreasonably withheld. Notwithstanding any such Mortgage, the Lessee will be and

remain liable for the payment of all Basic Rent and Additional Rent, and the performance of all of its obligations set out in this Lease.

## 16.2 Tripartite Agreement

At the request of the Mortgagee, the Lessor will execute and deliver to the Mortgagee an agreement among the Lessee, the Lessor and the Mortgagee, or between the Lessor and the Mortgagee, which will be binding and enforceable against the Lessee (if a party thereto), the Lessor and the Mortgagee and their successors and assigns, whereby the Lessor will agree with the Mortgagee to afford to the Mortgagee the rights and remedies afforded to Mortgagees under this Lease.

## ARTICLE 17 BANKRUPTCY OF LESSEE

### 17.1 Bankruptcy of Lessee

Subject to the provisions of section 18.2(c), if the Term is at any time seized or taken in execution by any creditor of the Lessee, or if the Lessee makes a general assignment for the benefit of creditors, or institutes proceedings to subject itself to be adjudicated a bankrupt or insolvent, or consents to the institution of bankruptcy or insolvency proceedings against it, or files an application or petition or answer or consent seeking reorganization or readjustment of the Lessee under any law of Canada or any province thereof relating to bankruptcy or insolvency, or consents to the filing of any such application or petition, or consents to the appointment of a receiver, or if the Lessee or its directors pass any resolution authorizing the dissolution or winding-up of the Lessee, or if a receiver, interim receiver, trustee or liquidator of all or any part of the property of the Lessee is appointed or applied for by the Lessee, or if a judgment, decree or order is entered by a court of competent jurisdiction adjudging the Lessee a bankrupt or insolvent or subject to the provisions of any applicable legislation determining the proceedings for reorganization, arrangement, adjustment, composition, liquidation, dissolution or winding-up or any similar relief under any law of Canada or any province thereof relating to bankruptcy or insolvency has been properly instituted, then, subject to Section 23.1, this Lease will, at the option of the Lessor, immediately become terminated.

## ARTICLE 18 DEFAULT BY LESSEE

### 18.1 Re-entry on Certain Defaults by Lessee

Subject to the provisions of sections 18.2 and 23.1, if and whenever:

- (a) Basic Rent or any part thereof is not paid on the day appointed for payment thereof; or
- (b) the Lessee defaults in payment of Additional Rent or any other sums required to be paid to the Lessor or the Commission by any provision of this Lease, and such default continues for forty-five (45) days following any specific due date on which the Lessee is to make such payment or, in the absence of such specific due date, for forty-five (45) days following notice by the Lessor or the Commission requiring the Lessee to pay the same; or

- (c) the Building is abandoned or remains vacant for more than thirty (30) days; or
- (d) the Lessee defaults in performing or observing any of its other covenants or obligations under this Lease, or any contingency occurs which by the terms of this Lease constitutes a breach hereof or confers upon the Lessor the right to re-enter or forfeit or terminate this Lease, and the Lessor has given to the Lessee notice of such default or the happening of such contingency, and if at the expiration of forty-five (45) days after the giving of such notice the default or contingency continues to exist, or in the case of a default or contingency which cannot with due diligence be cured within the period of forty-five (45) days aforesaid, if the Lessee does not commence the rectification of such default or contingency within the said forty-five (45) day notice period and thereafter promptly and diligently and continuously proceed with such rectification; or
- (e) this Lease expires or is forfeited or terminated pursuant to any other provision contained herein, including, without restricting the generality of the foregoing, the termination of this Lease pursuant to the provisions of section 10.5,

then and in every such case, it will be lawful for the Lessor at any time thereafter without notice or demand, with or without process of law and by forced entry if necessary, to enter into and upon the Lands and the Building, or part thereof in the name of the whole, and, if this Lease has not already expired or been forfeited or terminated, to terminate this Lease by leaving upon the Lands notice in writing of such termination. If the Lessor terminates this Lease pursuant to this section 18.1, or otherwise as a result of default of the Lessee, or if the Lessee has forfeited this Lease, the Lessee will be liable to the Lessor for the rents and all other amounts to be paid and the covenants to be performed by the Lessee up to the date of such termination or forfeiture.

## 18.2 Notice to and Remedies of Mortgagee

The following provisions will apply with respect to any Mortgagee:

- (a) no re-entry, termination or forfeiture of this Lease by the Lessor will be valid against the Mortgagee who has filed with the Lessor a notice of Mortgage and specified an address for notice in accordance with Article 25, unless the Lessor has first given to the Mortgagee written notice of the default or contingency entitling the Lessor to re-enter, terminate or forfeit this Lease, specifying the nature of that default or contingency, and stating the Lessor's intention to take such proceedings and requiring the Mortgagee:
  - (i) to cure the default or contingency specified in the notice within a period of sixty (60) days from the date of receipt of that notice by the Mortgagee; or
  - (ii) if the default or contingency is other than the failure to pay Basic Rent or Additional Rent or any other sums required to be paid to the Lessor by any provision of this Lease, and if the default or contingency cannot reasonably be cured within such sixty (60) day period, then to immediately commence to cure the same and to diligently prosecute to conclusion all acts necessary to cure the default or contingency,

and the Lessor hereby grants the Mortgagee access to the Lands and the Building for that purpose. If the default or contingency is cured within the period specified, or in the circumstances referred to in 18.2(a)(ii), if cured within a reasonable period, the Mortgagee will be entitled to continue as tenant for the balance of the Term remaining at the date of the notice of default or contingency providing that the Mortgagee attorns as tenant to the Lessor and undertakes to be bound by and to perform and observe all of the Lessee's obligations, covenants and agreements under this Lease until such Mortgagee as tenant assigns its leasehold estate as permitted by this Lease and delivers to the Lessor an agreement from the assignee which is enforceable and binding on the assignee and its heirs, executors, successors, administrators and assigns as of the date of the assignment and by which the assignee agrees with the Lessor to attorn as tenant to the Lessor and to be bound by and to perform and observe all of the Lessee's obligations, covenants and agreements under this Lease. If the Mortgagee consists of more than one mortgagee, each having a separate charge upon the Lessee's interest in this Lease, and more than one of them wishes to cure the default or contingency specified in the notice aforesaid, then the Lessor hereby agrees to permit curing of the default or contingency specified as aforesaid by that Mortgagee that is willing to cure the default or contingency and attorn as tenant as aforesaid and whose charge ranks in priority over the charge or charges held by the other Mortgagee or Mortgagees willing to cure and attorn as aforesaid, except that in the event that any Mortgagee has commenced a foreclosure action, the provisions of section 18.2(b) will apply;

- (b) in the event the Mortgagee commences foreclosure proceedings against the Lessee, whether or not the Lessee is in default of the performance of its covenants and agreements with the Lessor under this Lease at the time such foreclosure proceedings are commenced, the Lessor will not re-enter, terminate or forfeit this Lease after the commencement of foreclosure proceedings on the ground of any default or contingency entitling the Lessor to re-enter, terminate or forfeit this Lease if the Mortgagee:
  - (i) has given to the Lessor notice of the foreclosure proceedings;
  - (ii) is actively prosecuting the foreclosure proceedings;
  - (iii) except for the bankruptcy or insolvency of the Lessee, which will be governed by section 18.2(c), cures the default or contingency within a period of sixty (60) days from the date of receipt of notice from the Lessor specifying the nature of the default or contingency, or if the default or contingency is other than the failure to pay Basic Rent or Additional Rent or any other sums required to be paid to the Lessor by any provision of this Lease and if such default or contingency cannot reasonably be cured within such sixty (60) day period, immediately commences to cure the same and to diligently prosecute to conclusion all acts necessary to cure the default or contingency; and
  - (iv) performs and observes all of the Lessee's covenants and agreements under this Lease, except for any obligation to cure the bankruptcy or insolvency of the Lessee and except for the obligations of the Lessee which the Mortgagee is exempt from fulfilling, pursuant to the terms of



this Lease, and without undue delay diligently prosecutes to a conclusion the foreclosure proceedings commenced by the Mortgagee;

provided, however, that if the Mortgagee is an Approved Lender, the Corporation or the Commission, the curing of the default or contingency may be delayed until the earlier of the date of the assignment of this Lease to a third party or an Approved Lender, the Corporation or the Commission acquiring the Lessee's interest in this Lease. In the event that the Mortgagee acquires the Lessee's interest in the Lands and Building pursuant to the foreclosure proceedings, the Mortgagee will thereupon become subrogated to the rights of the Lessee under this Lease, provided it attorns to the Lessor as tenant and undertakes to be bound by and perform the covenants and agreements of this Lease until such Mortgagee as Lessee assigns its leasehold estate as permitted by this Lease and delivers to the Lessor an agreement from the assignee which is enforceable and binding on the assignee and its heirs, executors, successors, administrators and assigns as of the date of the assignment and by which the assignee agrees with the Lessor to attorn as tenant to the Lessor and to be bound by and to perform the covenants and agreements of this Lease. If the Mortgagee consists of more than one mortgagee and more than one of them commences foreclosure proceedings, the right to cure any default or contingency granted by this section 18.2(b) to a foreclosing Mortgagee will be deemed granted to them in the order of priority of the charges held by the foreclosing mortgagees;

- (c) if this Lease is subject to termination or forfeiture pursuant to Article 17 by reason of the bankruptcy or insolvency of the Lessee and the Mortgagee has filed with the Lessor a notice of Mortgage in favour of the Mortgagee and specified an address for notice in accordance with Article 25, the Lessor will give to the Mortgagee notice of the bankruptcy or insolvency of the Lessee entitling the Lessor to terminate or forfeit this Lease and stating the Lessor's intention to take such proceedings and requiring the Mortgagee to cure the Lessee's default under this Lease (except for the bankruptcy or insolvency of the Lessee), and the Lessee's default will be deemed to have been sufficiently cured if the Mortgagee:
  - (i) takes possession and control of the Lands and Building, or causes a receiver to be appointed under the terms of the Mortgagee's charge or by a court of competent jurisdiction, which receiver will take possession and control of the Lands and Building, and the Lessor hereby grants the Mortgagee or such receiver access to the Lands and Building for that purpose;
  - (ii) cures every default under this Lease (except for the bankruptcy or insolvency of the Lessee) within a period of sixty (60) days from the date of receipt by the Mortgagee of the notice from the Lessor of the bankruptcy or insolvency of the Lessee, or if such default or defaults are other than the failure to pay Basic Rent or Additional Rent or any other sums required to be paid to the Lessor by any provision of this Lease and if such default or defaults cannot reasonably be cured within such sixty (60) day period, immediately commences to cure the same and to diligently prosecute to conclusion all acts necessary to cure such default or defaults; provided, however, that if the Mortgagee is an

Approved Lender, the Commission or the Corporation, the curing of the default or contingency may be delayed until the earlier of the date of the assignment of this Lease to a third party or an Approved Lender, the Commission or the Corporation acquiring the Lessee's interest in this Lease; and

- (iii) subject to the right of an Approved Lender, the Commission or the Corporation to delay the curing of the default or contingency as set out in section 18.2(c)(ii), attorns as tenant to the Lessor and undertake to observe, be bound by and perform the obligations, covenants and agreements of the Lessee under this Lease until such Mortgagee, as tenant, assigns its leasehold estate as permitted under this Lease and delivers to the Lessor an agreement from the assignee which is enforceable and binding on the assignee and its heirs, executors, successors, administrators and assigns as of the date of the assignment and by which the assignee agrees with the Lessor to attorn as tenant to the Lessor and to observe, be bound by and perform the obligations, covenants and agreements of the Lessee under this Lease.

If the Mortgagee consists of more than one mortgagee, the right to take possession and control, to cure any default and to assume the Lease as aforesaid will be deemed granted to them in the order of the priority of their respective charges;

- (d) any re-entry, termination or forfeiture of this Lease made in accordance with the provisions of this Lease as against the Lessee will be valid and effectual against the Lessee even though made subject to the rights of any Mortgagee to cure any default of the Lessee and to continue as tenant under this Lease; and
- (e) no entry upon the Lands or into the Building by the Mortgagee for the purpose of curing any default of the Lessee will release or impair the continuing obligations of the Lessee.

### 18.3 Remedies of Lessor and the Commission are Cumulative

The remedies of the Lessor and the Commission specified in this Lease are cumulative and are in addition to any remedies that the Lessor and the Commission may have at law or equity. No remedy will be deemed to be exclusive, and the Lessor and the Commission may from time to time have recourse to one or more or all of the available remedies specified herein, or at law or equity. In addition to any other remedy provided in this Lease, the Lessor and the Commission will be entitled to restrain by injunction any violation or attempted or threatened violation by the Lessee of any of the covenants or agreements contained herein.

### 18.4 Waiver by Lessor and Commission

The failure of the Lessor or the Commission to insist upon the strict performance of any covenant or agreement contained in this Lease will not waive such covenant or agreement, and the waiver by the Lessor or the Commission of any breach of any covenant or agreement of the Lessee under this Lease will not constitute a waiver of such covenant or agreement in respect of any other breach. The receipt and acceptance by the Lessor of rent or other monies due hereunder with knowledge of

any breach of any covenant or agreement by the Lessee will not constitute a waiver of such breach. No waiver by the Lessor or the Commission will be effective unless made in writing.

ARTICLE 19  
ARBITRATION

19.1 Arbitration

If a disagreement arises pursuant to sections 4.2, or 6.1, the same will be settled by arbitration. The arbitration will be conducted by a single arbitrator chosen by the Commission which arbitrator will be at arm's length from the Commission. The costs and expenses of the arbitration will be dealt with as follows:

- (a) each party will bear its own expense of preparing and presenting its case to the arbitrator, irrespective of whether any such expense was incurred or contracted for prior to the appointment of the arbitrator, including the expenses of appraisals, witnesses and legal representation; and
- (b) the fees of the arbitrator will be shared by the parties equally unless the arbitrator decides otherwise.

The *Arbitration Act* (British Columbia) will apply with respect to the arbitration. If an Approved Lender or the Corporation holds a Mortgage of the Lessee's leasehold interest in the Lands and Building, any notice of arbitration given under this section by one of the parties to the others will be given at the same time to such Mortgagee, if it has specified an address for notice, and such Mortgagee so notified will be given a reasonable opportunity by the parties to participate in the arbitration proceedings if it considers such proceedings may affect the Mortgage security.

ARTICLE 20  
SURRENDER OF LEASE

20.1 Surrender of Lease

Subject to the obligations of the Lessee contained in sections 10.5(c) and 10.6(b), at the termination or expiration of the Term, whether by forfeiture, default or lapse of time, the Lessee will surrender the Lands and Building to the Lessor in the condition in which they were required to be kept by the Lessee pursuant to the provisions of this Lease.

ARTICLE 21  
QUIET ENJOYMENT, OWNERSHIP OF LESSEE'S FIXTURES AND OWNERSHIP OF BUILDING

21.1 Covenant for Quiet Enjoyment

Subject to the Lessor's and the Commission's rights herein, and subject to the Permitted Encumbrances as extended or modified from time to time, if the Lessee pays the rent hereby reserved and all other amounts payable hereunder, and observes and performs all of the obligations, covenants and agreements of the Lessee herein contained, the Lessee may peaceably enjoy and possess the Lands and Building for the Term, without any interruption or disturbance whatsoever from the Lessor or any

other person, firm or corporation lawfully claiming through, from or under the Lessor, provided however that the enforcement by the Lessor, in its capacity as a civic body, of laws, bylaws and orders that touch and concern the Lands and Building will not be a breach of the Lessor's covenant set forth in this section 21.1.

#### 21.2 Ownership of Lessee's Fixtures

The Lessee, tenants or occupants of the Building have the right of property in, or the right to remove, fixtures or improvements which are of the nature of usual tenants' fixtures and normally removable by tenants, and which are not part of the Building or the Lands. The Lessee will make good, or will cause such tenants to make good, any damage to the Building caused by any removal of the tenants' fixtures.

#### 21.3 Ownership of Building

The Building will become the absolute property of the Lessor, free and clear of all liens, charges, encumbrances, equities or claims of any kind or nature whatsoever, save and except for the Permitted Encumbrances, upon the expiration or earlier termination of the Term or any permitted period of overholding, but will be deemed, as between the Lessor and the Lessee during the Term, to be the separate property of the Lessee and not of the Lessor but subject to and governed by all the provisions of this Lease, provided always that the Lessor's absolute right of property in the Building, which will arise at the expiration or earlier termination of the Term or any permitted period of overholding, will take priority over any other interest in the Building that may now or hereafter be created by the Lessee without the prior written consent of the Lessor, and provided that all dealings by the Lessee with the Building which in any way affect title thereto will be made expressly subject to this right of the Lessor and the Lessee will not assign, encumber or otherwise deal with the Building separately from any permitted dealing with the leasehold interest under this Lease, to the intent that no person will hold or enjoy any interest in this Lease acquired from the Lessee who does not at the same time hold a like interest in the Building.

### ARTICLE 22 OVERHOLDING

#### 22.1 Overholding

The Lessee covenants and agrees with the Lessor that if the Lessee will hold over and the Lessor will accept rent after the expiration of the Term, the new tenancy thereby created will be a tenancy from month to month and not a tenancy from year to year and will be subject to the covenants and conditions herein contained so far as the same are applicable to a tenancy from month to month, provided however that the monthly Basic Rent payable by the Lessee will be the then market rental value of the Lands and the Building as determined from time to time in the bona fide opinion of the Lessor, and such monthly Basic Rent will be paid in advance. The Lessee will also pay monthly as Additional Rent one-twelfth of the then current sums described in section 3.1.

ARTICLE 23  
ADDITIONAL RIGHTS OF THE COMMISSION

23.1 Notice to Commission

Unless otherwise agreed in writing by the Commission and unless failure of the Lessor to act in the circumstances would result in an emergency situation, the Lessor may not exercise any of its rights which arise as a result of a default by the Lessee under this Lease until ninety (90) days (the "Notice Period") after receipt by the Commission of written notice describing the Lessee's default.

If at the expiration of the Notice Period:

- (a) the Commission has not cured such default or in the case of a default which cannot, with due diligence, be cured within the Notice Period, if the Lessee does not commence to cure the default within the Notice Period and thereafter diligently proceed to cure the default; or
- (b) the Commission has not given the Lessor a notice in writing (the "Attornment Notice") advising the Lessor that the Commission or its nominee will attorn as tenant under this Lease;

then the Lessor will be at liberty to proceed to exercise any of the powers given to it under this Lease.

Upon receipt of the Attornment Notice the Lessor will enter into the necessary agreement with the Commission or its nominee allowing it to attorn as tenant under the Lease.

23.2 Rights of Commission Not Limited

The Lessee and the Lessor agree that the rights given to the Commission pursuant to Article 23 are not to be construed in any manner whatsoever so as to limit or otherwise prejudice the rights of the Commission as against the Lessee under any Operating Agreement or any other agreement between the Commission and the Lessee or the Commission and the Lessor.

23.3 Commission May Perform Obligations of Lessee

Where the Commission chooses to perform an obligation of the Lessee under this Lease in order to avoid forfeiture, the Lessor will accept that performance as if the same had been performed by the Lessee.

ARTICLE 24  
ENVIRONMENTAL MATTERS

24.1 Definitions

For the purposes of this Article 24:

- (a) "Contaminants" mean any pollutants, contaminants, deleterious substances, underground or aboveground tanks, asbestos materials, urea formaldehyde,

dangerous substances or goods, hazardous, corrosive or toxic substances, special waste or waste of any kind or any other substance which is now or hereafter prohibited, controlled or subject to Environmental Laws; and

- (b) "Environmental Laws" means any statute, law, regulation, order, bylaw, standard, guideline, permit and other lawful requirement of any governmental authority having jurisdiction over the Lands or Building, now or hereafter in force and relating in any way to the environment, health, occupational health and safety, product liability or transportation of dangerous goods, and includes the principles of common law and equity.

## 24.2 Lessee's Covenants and Indemnity

The Lessee covenants and agrees as follows:

- (a) not to use or permit to be used all or any part of the Lands or Building for the sale, storage, manufacture, disposal, handling, treatment, use or any other dealing with Contaminants, without the prior written consent of the Lessor, which consent may be arbitrarily or unreasonably withheld;
- (b) to strictly comply, and cause all persons for whom it is at law responsible to comply, with all Environmental Laws regarding the use and occupancy of the Lands and Building;
- (c) to promptly provide to the Lessor a copy of any environmental site investigation, assessment, audit or report relating to the Lands or Building and conducted by or for the Lessee at any time before, during or after the Term, or any renewal or extension thereof. The Lessee hereby waives the requirement for the Lessor to provide a site profile for the Lands pursuant to the *Environmental Management Act* (British Columbia), any regulations enacted pursuant thereto, or any similar or successor legislation;
- (d) to promptly provide to the Lessor on request such written authorizations as the Lessor may require from time to time to make inquiries of any governmental authorities regarding the Lessee's compliance with Environmental Laws;
- (e) to promptly notify the Lessor in writing of the existence or release of any Contaminant on, in or under the Lands or Building or of any other occurrence or condition at the Lands or any adjacent property that could contaminate the Lands or the Building or result in the non-compliance of the Lands or Building with Environmental Laws, or subject the Lessor or Lessee to any fines, penalties, orders, investigations or proceedings under Environmental Laws;
- (f) on the expiry or earlier termination of this Lease, or at any time if requested by the Lessor or required pursuant to Environmental Laws, to remove from the Lands and Building all Contaminants, and to remediate any contamination of the Lands or any adjacent or other affected property resulting from Contaminants, in either case brought onto, used at, created upon or released from the Lands by the Lessee or any person for whom the Lessee is at law responsible. The Lessee will perform these obligations promptly at its own cost and in accordance with Environmental Laws. All such Contaminants will remain the property of the Lessee, notwithstanding any rule of law or other provision

of this Lease to the contrary and notwithstanding their degree of affixation to the Lands or Building; and

- (g) without limiting the generality of Article 14, to indemnify the Lessor, the Commission and their respective Personnel and contractors from any and all Losses (including the cost of remediation of the Lands and Building and any other affected property) arising from or in connection with:
  - (i) any breach of or non-compliance with the provisions of this Article 24 by the Lessee; or
  - (ii) the release or alleged release of any Contaminants at or from the Lands related to or as a result of the use and occupation of the Lands and Building by, or any act or omission of, the Lessee or any person for whom the Lessee is responsible at law.

The obligations of the Lessee under this Article 24 will survive the expiry or earlier termination of this Lease, and the obligations of the Lessee under this Article 24 are in addition to, and will not limit, the other obligations of the Lessee under this Lease.

#### ARTICLE 25 NOTICES

##### 25.1 Notices

All notices, demands and request which may or are required to be given pursuant to this Lease will be in writing and will be sufficiently given if served personally upon the party for which it is intended, or mailed prepaid and double registered:

- (a) in the case of the Lessor, addressed to:

Capital Regional District  
625 Fisgard Street  
Victoria, BC V8W 2S7

Attention: Manager, Real Estate Services

- (b) in the case of the Lessee, addressed to:



Attention: \_\_\_\_\_

- (c) in the case of the Commission, addressed to:

British Columbia Housing Management Commission  
Suite 1701 - 4555 Kingsway  
Burnaby BC V5H 4V8  
Attention: Manager Real Estate Services



or at such other addresses as each of the parties may from time to time advise by notice in writing. Mortgagees will supply their respective mailing addresses to the Lessor and the Lessee. The date of receipt of any such notice, demand or request will be deemed to be the date of delivery if such notice, demand or request is served personally or if mailed as aforesaid on the fifth business day next following the date of such mailing; provided, however, that if mailed, should there be between the time of mailing and the actual receipt of the notice a mail strike, slow down of postal service or other labour dispute which affects the delivery of such notice, then such notice will be deemed to be received when actually delivered.

ARTICLE 26  
EASEMENTS

26.1 Easements

During the Term:

- a) the Lessor will not amend nor discharge the easements benefiting the Lands registered against the Lands under Nos. CB445511 and CB445519; and
- b) the Lessee will fulfill the obligations of and will enjoy the benefits conferred upon the grantee in the easements.

ARTICLE 27  
MISCELLANEOUS

27.1 Statements by Lessor

The Lessor and the Lessee agree that at any time and from time to time, upon not less than thirty (30) days prior request by the other party, each will execute, acknowledge and deliver to the other a statement in writing certifying:

- (a) that this Lease is unmodified and in full force and effect, or if there have been modifications, the nature of such modifications and that the same are in full force and effect as modified;
- (b) the dates to which the rent and any other amounts payable under this Lease have been paid; and
- (c) that to the best of the information and belief of the maker of the statements, the Lessor and the Lessee are not in default under any provision of this Lease, or, if in default, the particulars thereof.

27.2 Time of Essence

Time will be of the essence of this Lease, save as otherwise specified herein.

27.3 Formality of Modifications

This Lease may not be modified or amended except by an instrument in writing executed by the Lessor and the Commission or their successors or assigns, and by the Lessee or its successors or permitted assigns.

#### 27.4 Captions and Headings

The captions and headings throughout this Lease are for convenience and reference only and the words and phrases contained therein will in no way be held or deemed to define, limit, describe explain, modify, amplify or add to the interpretation, construction or meaning of any provision of or the scope or intent of this Lease nor in any way affect this Lease.

#### 27.5 Enurement

This Lease will extend to, be binding upon and enure to the benefit of the Lessor, the Commission and the Lessee, the successors and assigns of the Lessor and the Commission, and the successors and permitted assigns of the Lessee.

#### 27.6 Covenants or Conditions

All of the provisions of this Lease will be deemed and construed to be conditions as well as covenants, as though the words specifically expressing or importing covenants or conditions were used in each separate provision hereof.

#### 27.7 References

The words "herein", "hereby", "hereunder" and words of similar import refer to this Lease as a whole and not to any particular Article, section or subsection in this Lease.

#### 27.8 Execution

By signing the General Instrument, the parties have agreed to be bound by their respective obligations contained in this Lease.



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**REPORT TO PLANNING AND PROTECTIVE SERVICES COMMITTEE  
MEETING OF WEDNESDAY, FEBRUARY 15, 2023**

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**SUBJECT**     Regional Growth Strategy Indicators Report

**ISSUE SUMMARY**

To receive the Regional Growth Strategy (RGS) Indicators Report.

**BACKGROUND**

The *Local Government Act (LGA)* section 452 sets out requirements for regional districts with adopted regional growth strategies. Specifically, a regional district must:

- a) Establish a program to monitor RGS implementation and the progress made towards its objectives and actions; and
- b) Prepare an annual report on that implementation and progress.

The RGS Indicators Report was developed in 2019 to support consistent annual reporting and meet legislative requirements. The report consists of 20 indicators that measure progress towards achieving RGS targets and objectives. Each indicator includes a description of what is being measured, why it is important and a discussion of trends. Over time, the indicators will help identify progress being made toward RGS implementation or alert the region to a need for change if progress is not being seen.

Criteria for selection of indicators included: relevance, data availability, accuracy, cost, and effort. While many indicators use data that is available annually, some indicators rely on Census data that is only available every five years.

This report is based on data available for the 2021 reporting year (January 2021 – December 2021). In this reporting year, 15 of the 20 indicators were updated with new data. Additional indicators will be updated in the next release when data is available from the Origin and Destination Study and custom 2021 Census tabulations. Please see Appendix A for the report and detailed information about the new data.

It should be noted that several of the indicators are likely experiencing ongoing impacts due to the COVID-19 pandemic. Changes in year-to-year performance do not always equate to a long-term trend. It may take several years of data collection to reliably identify a trend.

Following receipt by the Board, the information will be posted on the Capital Regional District's (CRD) website.

**IMPLICATIONS**

*Environmental & Climate Implications*

Several RGS indicators are directly related to climate action. Updated within this reporting cycle, the number of net new dwelling units in areas where more than 45% walk/bike/bus to work (1.1a) has the potential for making the largest impact towards meeting our greenhouse gas (GHG) reduction goals. Land use decisions are key to developing compact complete communities that

support taking more trips by walk/bike/bus. In relation to the supplemental chart associated with indicator 1.1a, the objective would be to direct growth to areas meeting the target and, through infrastructure investment, increase the number of areas meeting the target.

Note that updated 2022 community GHG emissions data will be available for 2023.

#### *Regional Growth Strategy Implications*

Achieving RGS objectives requires collaborative partnerships between local, regional and provincial levels of government, each with specific jurisdictional authorities. The RGS indicators show how we are doing as a region rather than the performance of a specific CRD service. The region's growth management approach, policies and targets are to be reevaluated every five years during the RGS update process if progress toward RGS implementation is not being seen. The five-year milestone is 2026.

Managing and Balancing Growth, Housing and Community, and Environment and Infrastructure are RGS policy areas where the indicators suggest a need to closely watch for progress against RGS objectives.

1. From a growth management perspective, the region has not expanded the growth area since RGS adoption in 2018 (1.1b) and has built 4.9% of new dwelling units outside of the growth boundary in the past 10 years (1.2a). The supplemental chart for 1.2a showing the distribution of net new dwellings outside the growth area illustrates the effects of different growth management policies among local governments. Regionally, only 20% of growth has been located in areas with greater than 45% active transportation in the past five years (1.1a). This would suggest that focusing new dwellings within the growth boundary alone is not sufficient to create compact complete communities.
2. From a housing affordability perspective, the region is making steady progress to increase the supply of affordable housing, adding 3, 289 units between 2016 and 2021 (3.2d), 668 of which were added between March 2020 to March 2021. However, low rental vacancy rates at all levels of the price spectrum indicate a market that is difficult for renters (3.2c). Low vacancy rates are compounded by average rent increases that have continued to outpace inflation (3.2b). Core Housing Need (3.2a) has been reduced in the region. However, this must be understood in the context that the income measure used to calculate core housing need was from 2020, in which the percentage of Canadians living with low income saw the most significant decline in a five-year period since 1976. This was driven mainly by higher government transfers, especially pandemic-related benefits. These benefits primarily benefitted the working-age population, with the Canada Child Benefit helping parents and children (*The Daily, Statistics Canada, July 13, 2022*).
3. From an environment and infrastructure perspective solid waste disposal (2.2a), while performing well compared to the provincial average, recent years' data has shown that the region was unable to meet the provincial 2020 target. Following years of decline, economic activity has resulted in a sustained increase in per capita solid waste disposal. It is hoped that planning policy as well as tip fee changes in 2023 will have a positive impact on decreasing our per capita waste disposal numbers.

#### *Alignment with Board & Corporate Priorities*

Annual indicator reporting addresses the Planning and Development Community Need, from the 2019-2022 CRD Corporate Plan, specifically initiative 11a-3, Report on & Advance RGS Implementation/Indicators. A planning process is currently underway to identify Board priorities and an updated Corporate Plan for the 2022-2026 Board term.

*Service Delivery Implications*

The legislation stipulates that all services undertaken by a regional district after the Board has adopted a regional growth strategy must be consistent with its RGS. Through 2022, the CRD approved a new service-level strategy that will guide action on a number of indicators. The interim Regional Parks and Trails Strategic Plan 2022-2032 was adopted by the CRD Board on July 13, 2022 for one year while engagement with First Nations continues.

Any additional adjustments to service levels in support of achieving RGS objectives can be considered through the CRD's established service planning and budgetary processes. Based on current data, there are no items requiring adjustment.

**CONCLUSION**

The RGS Indicators Report monitors the region's progress towards the targets outlined in the RGS and is updated annually. For this reporting year, 15 of the 20 indicators were updated with new data. The RGS Indicator Report will be posted on the CRD website.

**RECOMMENDATION**

There is no recommendation. This report is for information only.

Submitted by:	Emily Sinclair, MCIP, RPP, Senior Manager, Regional and Strategic Planning
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Glenn Harris, Ph.D., RP.Bio., Acting General Manager, Parks & Environmental Services
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

**ATTACHMENT**

Appendix A: 2022 RGS Indicators Report

# Regional Growth Strategy Indicators Report 2022



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# RGS INDICATORS – AT A GLANCE

## Managing and Balancing Growth

Number of net new dwelling units in areas where more than 45% walk/bike/bus to work



Hectares added to the Urban Containment Policy Area (UCPA) Growth Boundary



Percentage of net new dwellings built outside the UCPA



## Environment and Infrastructure

Percentage of Sea-to-Sea Green/Blue Belt acquired



Percentage of the Regional Trail Network completed



Compliance with Source Control Bylaw



Number of stormwater discharges with a high public health concern



Waste stream: solid waste disposal



Average residential water consumption



Net new dwelling units in East Sooke and Otter Point Official Community Plan (OCP) areas



## Housing and Community

Create safe and complete communities



Reduce core housing need



Average rent for two-bedroom apartment



Vacancy rate by rental price quartiles



Increase supply of affordable housing



## Transportation

Percentage of total trips made by walking, cycling and transit in the Growth Management Planning Area (GMPA) *(update pending)*



## Economic Development

Jobs to population ratio *(update pending)*



## Food Systems

Hectares of farmland in the GMPA *(update pending)*



Average age of farmer



## Climate Action

Community Greenhouse Gas (GHG) emissions *(update pending)*





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## The Regional Growth Strategy (RGS)

The 2018 Regional Growth Strategy (RGS) is a framework developed by municipalities and the regional district to address how communities will work together to enhance regional quality of life and social well-being over the next 20 years.

The provincial government created the growth strategy legislation to “promote human settlement that is socially, economically and environmentally healthy and that makes efficient use of public facilities and services, land and other resources.”

The RGS also includes policies, actions and targets for the reduction of greenhouse gas emissions. The strategy was developed with significant public and stakeholder involvement and responds to the regional vision of a livable community that stewards the environment and natural resources with care.

## The RGS Indicator Report

A robust monitoring program helps the region measure progress towards achieving RGS goals and objectives.

Wherever possible, indicators were selected such that data would be available on an annual basis. However, for many of the indicators, information is only available through census data and will therefore only be updated every five years.

## Data updated for 2022

This report is based on data available for the 2021 reporting year (January 2021 to December 2021). In this reporting year, 15 of the 20 indicators were updated with new data. It should be noted that some census indicators rely on custom tabulations that will be available in 2023. As well, several of the indicators experienced impacts due to the COVID-19 pandemic.

## How to use this report

For each indicator, four key questions are answered:

- What is being measured?
- Why is the indicator important?
- What is the target/desired trend?
- How are we doing?

Indicator performance is described relative to a goal or baseline year. However, it is important to note that changes in year-to-year performance do not always equate to a long-term trend.

While performance in any given year may be positive or negative, it may take many years of data to reliably identify a clear trend. Where possible, trend lines are included in the graphs to help illustrate indicator trends.

The RGS indicators evaluated in this report are shown in the following table.

## 2038 Targets by priority area and objective

PRIORITY AREA	OBJECTIVE	TARGETS BY 2038
1.0 Managing and Balancing Growth	1.1 Keep Urban Settlement Compact 1.2 Protect the Integrity of Rural Communities	<ul style="list-style-type: none"> <li>Accommodate a minimum of 95% of the region's new dwelling units within the Urban Containment Policy Area.</li> </ul>
2.0 Environment and Infrastructure	2.1 Protect, Conserve and Manage Ecosystem Health	<ul style="list-style-type: none"> <li>Acquire 100% of the Sea-to-Sea Green/Blue Belt.</li> <li>Complete 100% of the Regional Trail Network.</li> <li>Reduce contaminants to fresh and marine water bodies.</li> </ul>
	2.2 Deliver Services Consistent with RGS Objectives	<ul style="list-style-type: none"> <li>Prepare long-term capital plans for Capital Regional District utilities and major infrastructure improvements that take into consideration the conservation of land, water and energy resources and the impacts of climate change and natural hazards.</li> </ul>
3.0 Housing and Community	3.1 Create Safe and Complete Communities	<ul style="list-style-type: none"> <li>Municipal targets for the number of people living in complete communities to be identified by municipalities in Regional Context Statements.</li> </ul>
	3.2 Improve Housing Affordability	<ul style="list-style-type: none"> <li>Increase the supply of more affordable housing.</li> <li>Reduce the number of people in core housing need.</li> <li>Reduce the number of people who are homeless.</li> </ul>
4.0 Transportation	4.1 Improve Multi-Modal Connectivity and Mobility	<ul style="list-style-type: none"> <li>Achieve a transportation system that sees 45% of all trips made by walking, cycling and transit.*</li> </ul>
5.0 Economic Development	5.1 Realize the Region's Economic Potential	<ul style="list-style-type: none"> <li>Achieve a jobs/population ratio of: <ul style="list-style-type: none"> <li>0.60 in Core Area</li> <li>0.53 in Saanich Peninsula</li> <li>0.36 in West Shore</li> </ul> </li> </ul>
6.0 Food Systems	6.1 Foster a Resilient Food and Agriculture System	<ul style="list-style-type: none"> <li>Increase the amount of land in crop production for food by 5,000 hectares to enhance local food security.</li> <li>Municipal targets to increase the amount of land in crop production for food and to encourage agricultural land to be identified by municipalities in Regional Context Statements.</li> </ul>
7.0 Climate Action	7.1 Significantly reduce community based greenhouse gas emissions	<ul style="list-style-type: none"> <li>Reduce community greenhouse gas emissions by 33% (from 2007 levels) by 2020, and by 61% by 2038.</li> </ul>

\*Updated to reflect increase in transit mode share target.

**1.1a** Number of net new dwelling units in areas where more than 45% walk/bike/bus to work



**What is being measured?**

This indicator tracks new dwelling units created in census Dissemination Areas (DA) where at least 45% of trips involve active transportation (walking, biking or taking transit).

**Why is this indicator important?**

The Regional Growth Strategy aims to keep urban settlement compact and directs new growth to be located where it can be efficiently serviced by transit and active transportation.

**Target/Desired Trend**

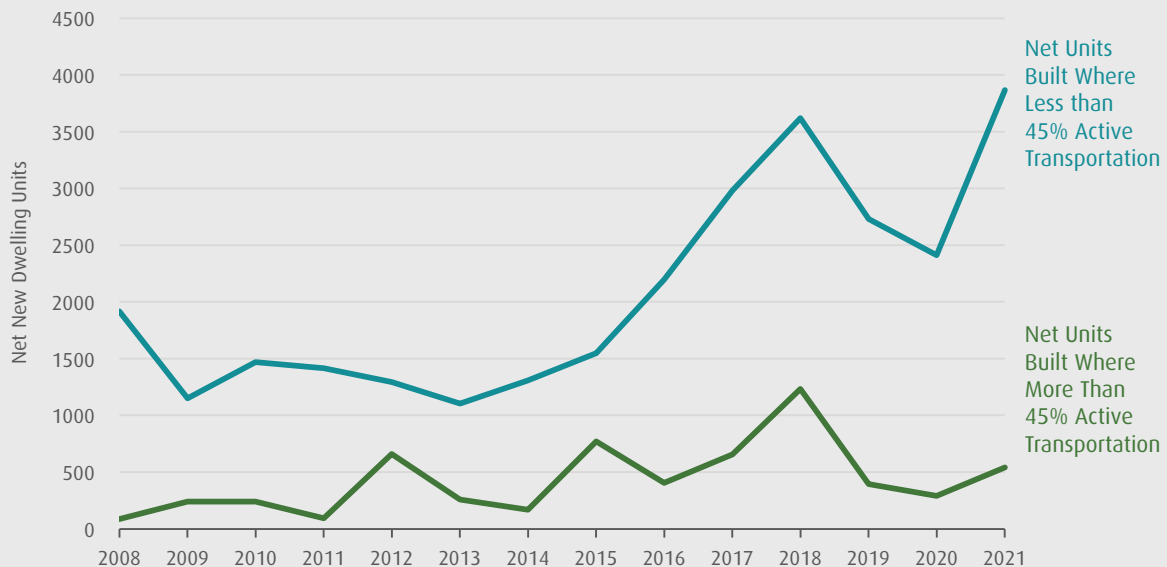
Place growth in areas conducive to walking, cycling and transit.

**How are we doing?**

Currently, we are not meeting the desired trend.

In the Growth Management Planning Area between 2012-2015, we saw as much as 26% of growth in net new dwelling units in areas with greater than 45% active transportation. In the period of 2016-2021, 17% of growth in net new dwelling units was in high active transportation areas.

BC Transit has increased its mode share target from 12% to 15%. Our target has been adjust to reflect this change from 42% to 45%.



Source: CRD Building Permit Database and Statistics Canada Census of Population 2016

## Supplemental map of areas with more than 45% walk/bike/bus to work

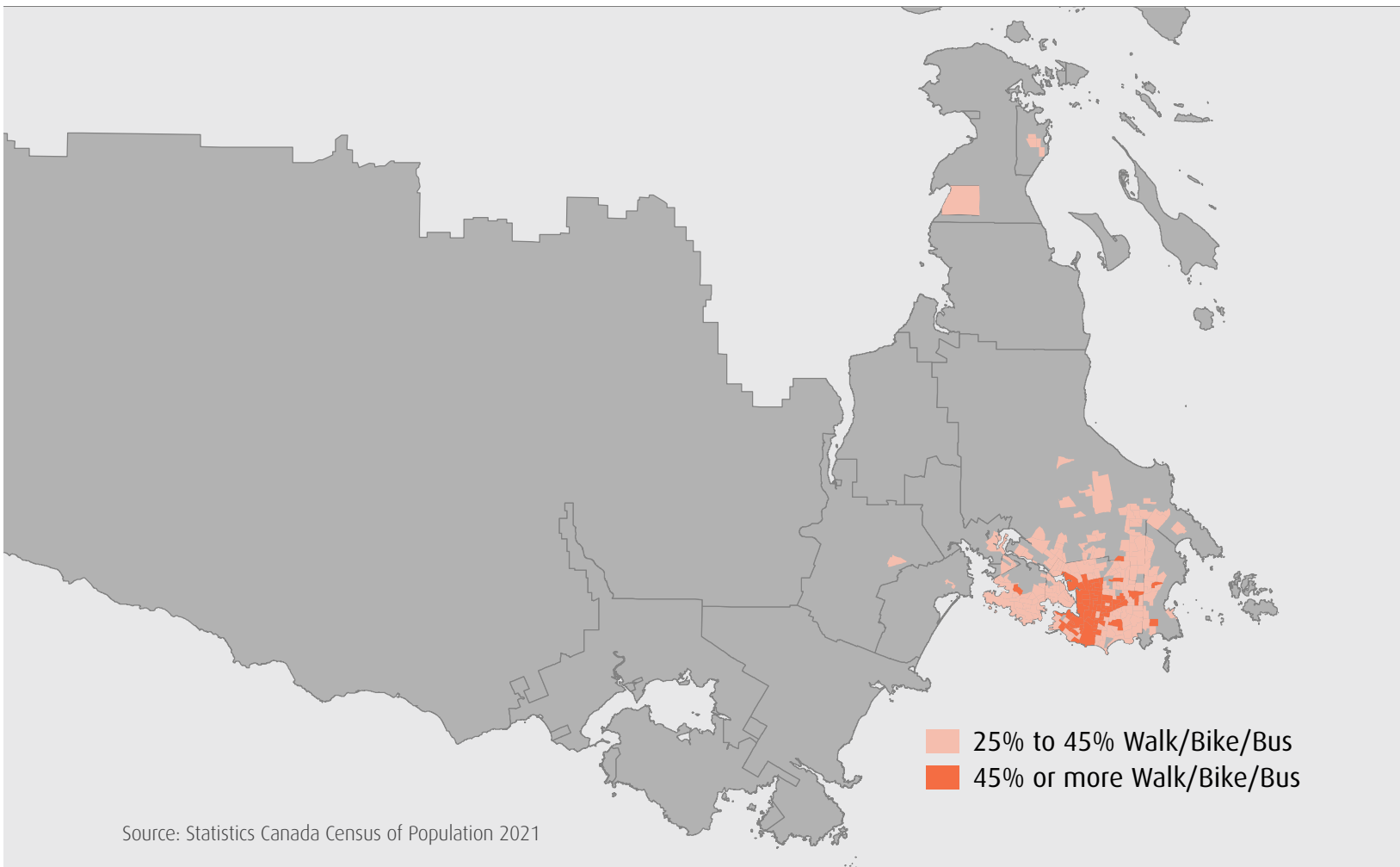
### What does the map indicate?

This map shows census dissemination areas where more than 45% of residents walk, bike and bus to work, meeting the Regional Growth Strategy mode share target.

These areas are mostly located in the region's core in Victoria, and portions of Esquimalt, Oak Bay and Saanich.

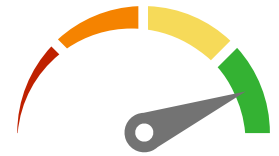
Also provided for reference are the areas with between 25% to 45% walk/bike/bus to show locations that could meet the Regional Transportation Plan goal if further action was taken.

As noted in Indicator 1.1(a), new growth in these areas is desirable as infrastructure and services are already in place to support high levels of active travel and transit. As the region develops, the desired trend is to see more areas meeting the target.





**1.1b Hectares added to the Urban Containment Policy Area (UCPA) growth boundary**



**What is being measured?**

This indicator measures the net change in the land area of the Urban Containment Policy Area (UCPA). The UCPA is intended to hold a land supply that will accommodate the region’s population and employment growth.

**Why is this indicator important?**

This indicator aligns with the Regional Growth Strategy (RGS) objective to keep urban settlement compact. The RGS includes a policy that generally permits amendment to the UCPA only as an outcome of a comprehensive 5-year review of the RGS.

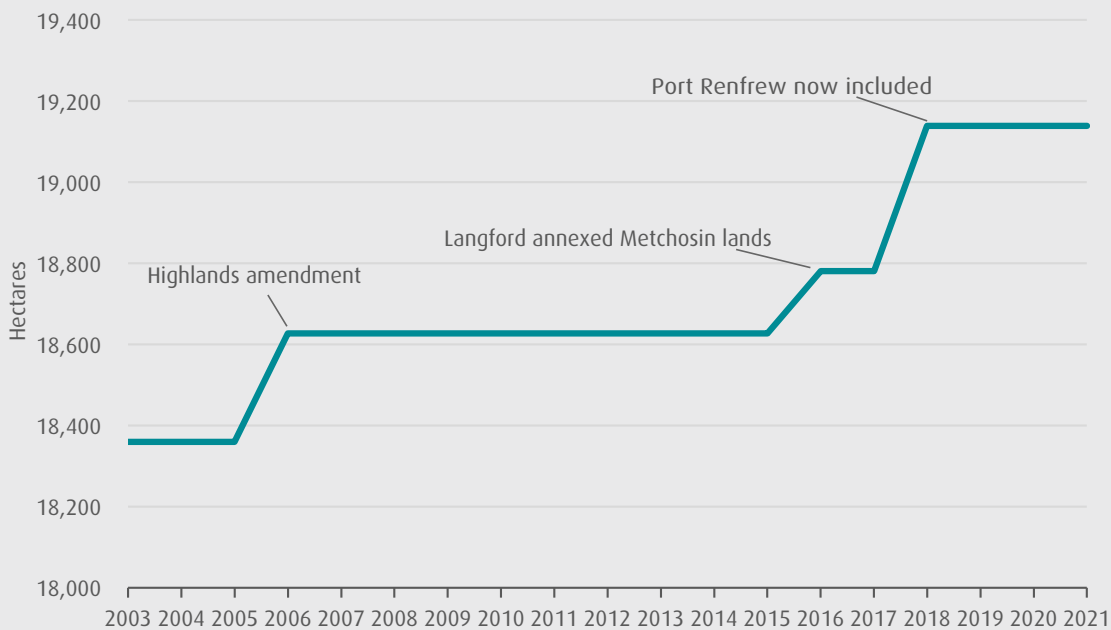
**Target/Desired Trend**

Minimize change to the UCPA from the date of adoption of the 2018 RGS.

**How are we doing?**

We are meeting the desired trend.

Since the March 2018 adoption of the RGS, there have been no changes to the UCPA.



Source: CRD Regional Planning

**1.2a** Percentage of net new dwellings built outside the Urban Containment Policy Area (UCPA)



**What is being measured?**

This indicator measures the annual share of net new dwelling units located outside the Urban Containment Policy Area (UCPA).

**Why is this indicator important?**

The Regional Growth Strategy (RGS) aims to keep urban settlement compact and protect the integrity of rural communities.

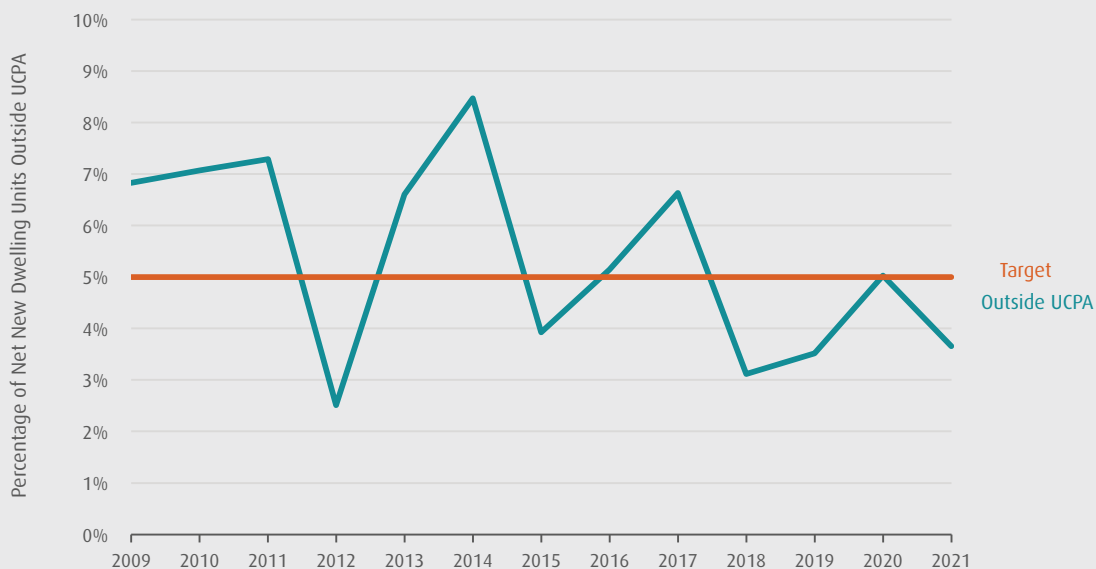
**Target/Desired Trend**

Accommodate a maximum of 5% of the region’s net new dwelling units outside the UCPA (for a minimum 95% of net new dwelling units within the UCPA, as per RGS target).

**How are we doing?**

We met the target this year.

In the past 10 years the average percentage growth outside the UCPA has been 4.9%.



Source: CRD Building Permit Database

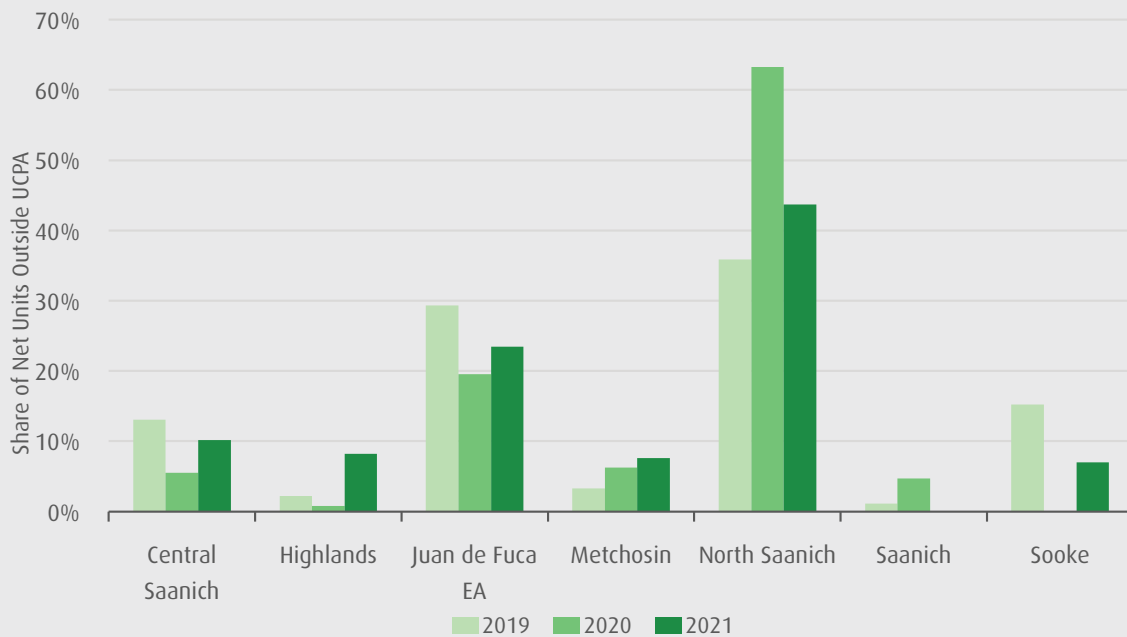
**Supplemental graph showing the location of net new dwellings built outside the Urban Containment Policy Area (UCPA)**

**What does the graph indicate?**

This graph shows the distribution of net new dwellings built outside the Urban Containment Policy Area (UCPA). Only local governments that have land outside the growth boundary are included. Together these units make up the percentage of new units built outside the growth area.

As noted in Indicator 1.2(a), the Regional Growth Strategy aims to keep urban settlement compact and protect the integrity of rural communities.

Local governments with land outside the growth boundary help achieve this goal through land use policy and decision making that avoids the creation of future urban areas. Monitoring the distribution of net new dwelling units built outside the growth area provides insight on the performance of local government growth management policies.



Source: CRD Building Permit Database

**2.1a** Percentage of Sea-to-Sea Green/Blue Belt acquired



**What is being measured?**

This indicator tracks the percentage of land within the regional Sea-to-Sea Green/Blue Belt that has been protected. Acquisition of additional land required to meet the target is to be undertaken by Capital Regional District and/or other levels of government.

The Regional Growth Strategy (RGS) targets refer to the 2012-2021 Regional Parks Strategic Plan and the 1997 Sea-to-Sea Green/Blue Belt Strategy, which has been superseded by the new interim Regional Parks and Trails Strategic Plan 2022-2032.

**Why is this indicator important?**

The RGS aims to protect, conserve and manage ecosystem health.

The protection of the Sea-to-Sea Green/Blue Belt will provide a continuous connected greenbelt network from Tod Inlet to the Sooke Basin.

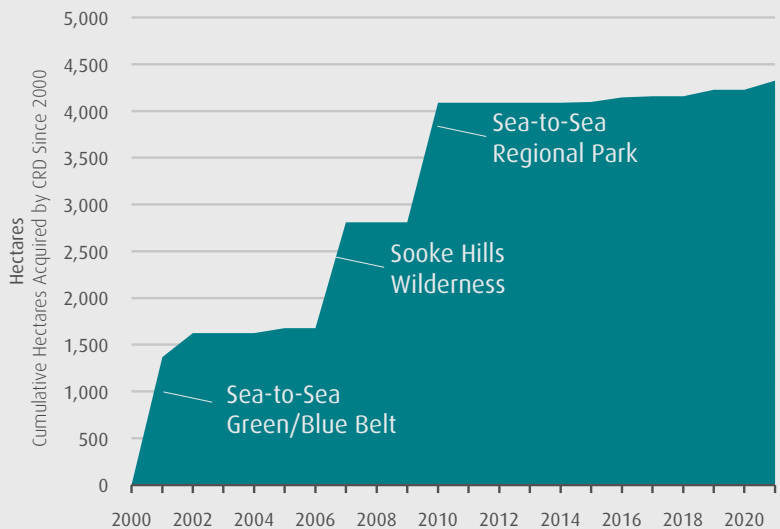
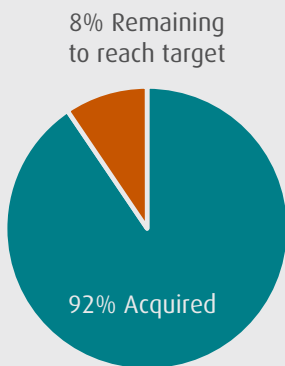
**Target/Desired Trend**

Acquire 100% of the Sea-to-Sea Green/Blue Belt.

**How are we doing?**

As of December 2021, 92% of the proposed 11,310 hectares has been acquired.

As the Sea-to-Sea Green/Blue Belt acquisition is almost complete, a revised indicator for expanding the regional parks system will be reported in 2023.



Source: CRD Regional Parks

### 2.1b Percentage of the Regional Trail Network completed



#### What is being measured?

This indicator measures the percentage of the Regional Trail Network that has been completed at the end of 2021. The Regional Growth Strategy (RGS) targets refer to the 2012-2021 Regional Parks Strategic Plan and the 1997 Sea-to-Sea Green/Blue Belt Strategy, which the new interim Regional Parks and Trails Strategic Plan 2022-2032 supersedes.

#### Why is this indicator important?

The RGS aims to protect, conserve and manage ecosystem health. The Regional Trail Network represents an integrated trail and linear park system linking urban areas to rural green space and was a key element of the Regional Green/Blue Spaces Strategy.

#### Target/Desired Trend

Complete 100% of the Regional Trail Network as identified in the 2012-2021 CRD Regional Parks Strategic Plan.

#### How are we doing?

We are making progress towards the target with an increase of 1,000m in 2021 (total length now 185,837m).

As of December 2021, 48% of the proposed 390 kilometres of the Regional Trail Network has been completed.



**48%** of Regional Trail Network completed (2021)

Source: CRD Regional Parks

### 2.1c Compliance with Source Control Bylaw



#### What is being measured?

This indicator measures the percentage of businesses in compliance with Source Control Bylaw standards. This pollution prevention initiative aims to reduce the amount of contaminants that industries, businesses, institutions and households discharge into the region's sanitary sewer systems.

#### Why is this indicator important?

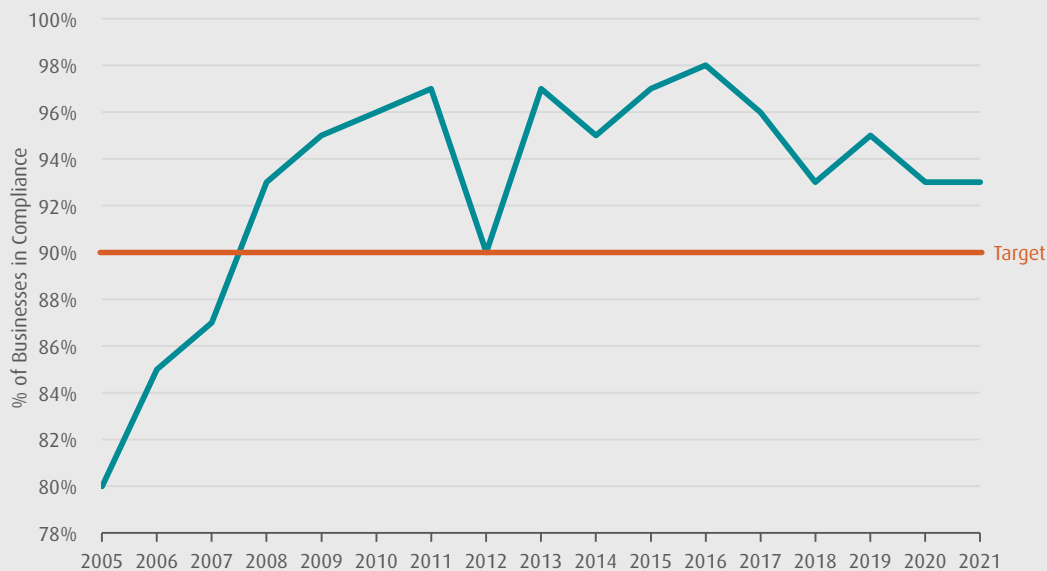
The Regional Growth Strategy aims to protect, conserve and manage ecosystem health. A high level of compliance reduces contaminants in fresh and marine regional waterways.

#### Target/Desired Trend

Maintain compliance of the standards established in the Source Control Bylaw at a rate of 90% or above.

#### How are we doing?

We are seeing consistently high levels of compliance.



NOTE: Prior to 2014, the indicator tracked proper waste treatment. The new measure, overall compliance, is a stricter standard indicating proper waste treatment facilities that are fully functioning.

Source: CRD Environmental Protection

**2.1d** Number of stormwater discharges with a high public health concern



**What is being measured?**

This indicator monitors the number of stormwater discharges with high public health concern.

**Why is this indicator important?**

The Regional Growth Strategy aims to protect, conserve and manage ecosystem health.

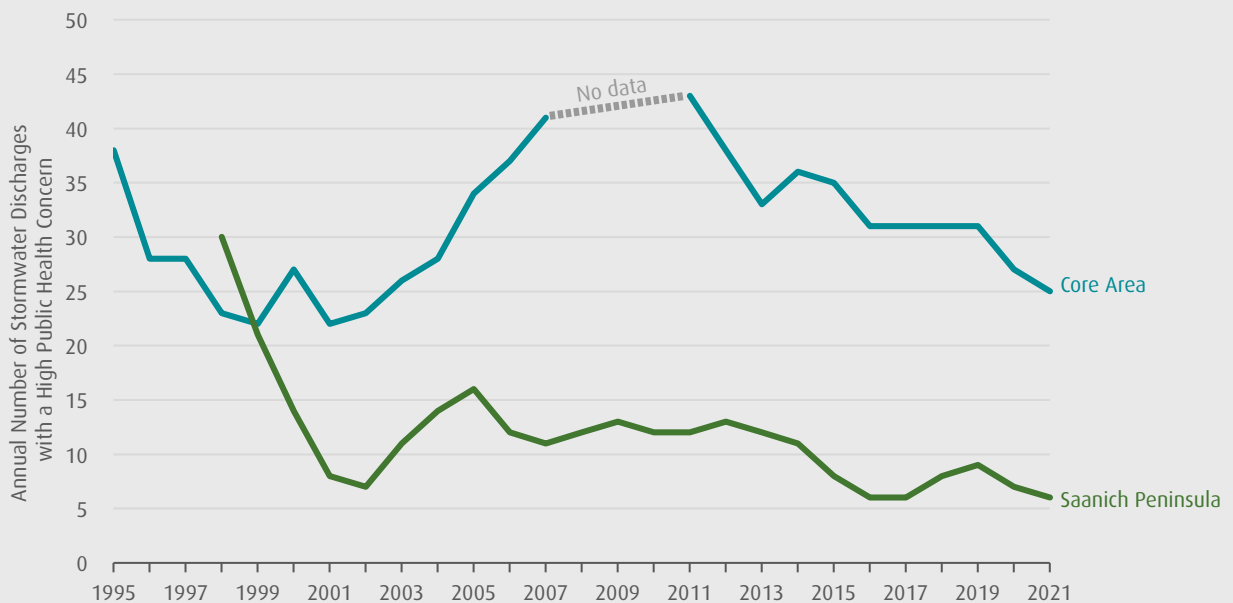
**Target/Desired Trend**

Reduced bacterial contamination to fresh and marine water bodies.

**How are we doing?**

We are meeting the desired trend.

The overall number of stormwater discharges with high public health concerns has decreased in the Core Area since 2012 and on the Saanich Peninsula since 2005. However, there were still 25 discharges in the Core Area and six in the Saanich Peninsula in 2021.



Source: CRD Environmental Protection



**2.2a Waste stream: solid waste disposal**



**What is being measured?**

This indicator measures the per capita amount of solid waste disposed of annually from both residential and non-residential sources.

**Why is this indicator important?**

The Regional Growth Strategy aims to minimize the consumption of renewable and non-renewable resources through efficient use and responsible management.

**Target/Desired Trend**

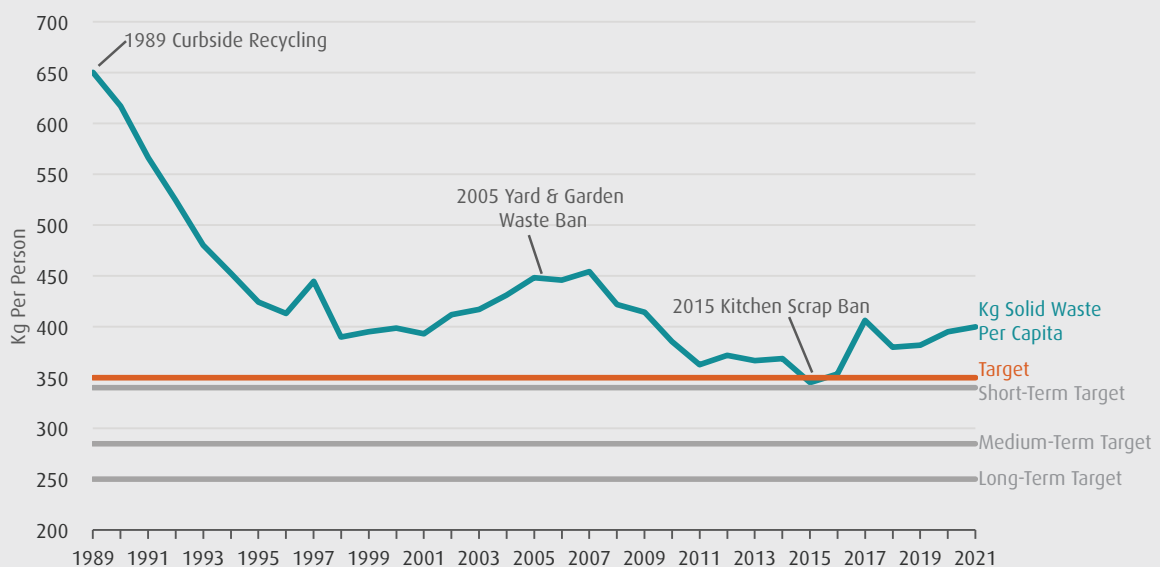
The BC government has set a 2020 solid waste disposal target rate of 350 kg/person per year which is the current target. In 2022, the target will be from the Capital Regional District Solid Waste Management Plan.

This plan identifies three new targets: short-term (three years) 340 kg/person, medium-term (five years) 285 kg/person and long-term (10+ years) 250 kg/person.

**How are we doing?**

Currently, we are not meeting the target.

However, we are at less than the provincial average of 499 kg/person (2020). Following years of decline, recent economic activity has resulted in a sustained increase in per capita solid waste disposal. It is hoped that planning policy as well as tipping fee changes in 2023 will have a positive impact on decreasing our per capita waste disposal numbers.



Source: CRD Environmental Resource Management

## 2.2b Average residential water consumption



### What is being measured?

This indicator measures the average daily consumption of potable water per capita for residential uses.

### Why is this indicator important?

The Regional Growth Strategy aims to minimize the consumption of renewable and non-renewable resources through efficient use and responsible management.

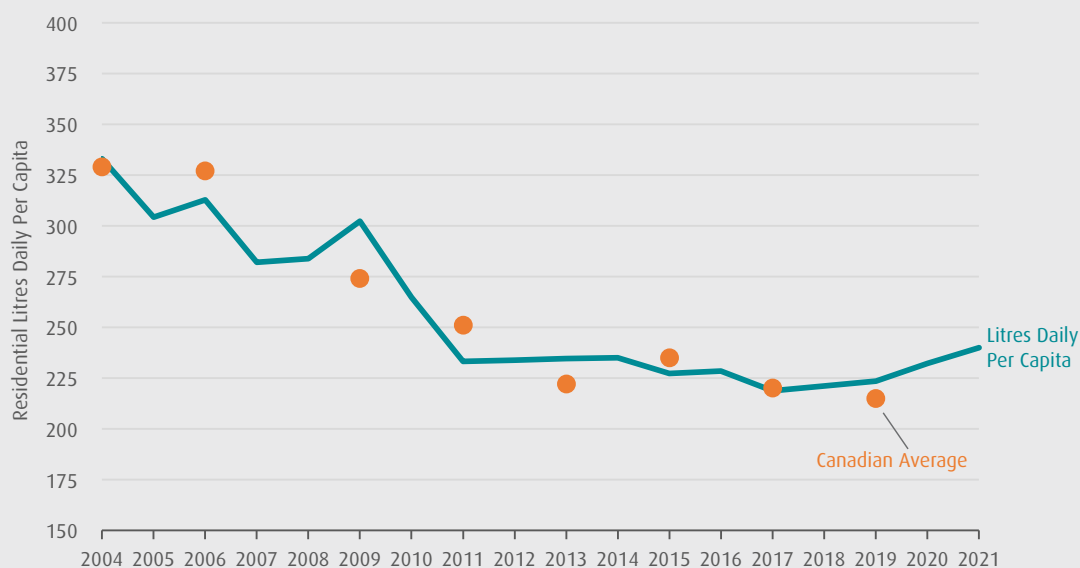
### Target/Desired Trend

Decrease per capita consumption of potable water.

### How are we doing?

Following a sizable reduction in per capita water consumption in the region, rates have stabilized around the Canadian average.

It is expected that the increase in water consumption observed in 2021 is attributable to changed residential water consumption patterns during the COVID-19 pandemic as people spent significantly more time at home due to office, business and facility closures. It is anticipated that average Canadian residential water use increased 10-20% during the pandemic.



Source: CRD Integrated Water Services, 2004-2009 Environment Canada Municipal Water and Wastewater Survey  
2011-2019 Statistics Canada Survey of Drinking Water Plants

### 2.2c Net new dwelling units in East Sooke and Otter Point Official Community Plan (OCP) areas



#### What is being measured?

This indicator measures annual net new dwelling units located in the East Sooke and Otter Point Official Community Plan (OCP) areas of the Juan de Fuca Electoral Area.

#### Why is this indicator important?

The Regional Growth Strategy allows for the possible provision of water servicing in East Sooke and Otter Point, and specifies the total number of existing and new units permitted within their OCPs.

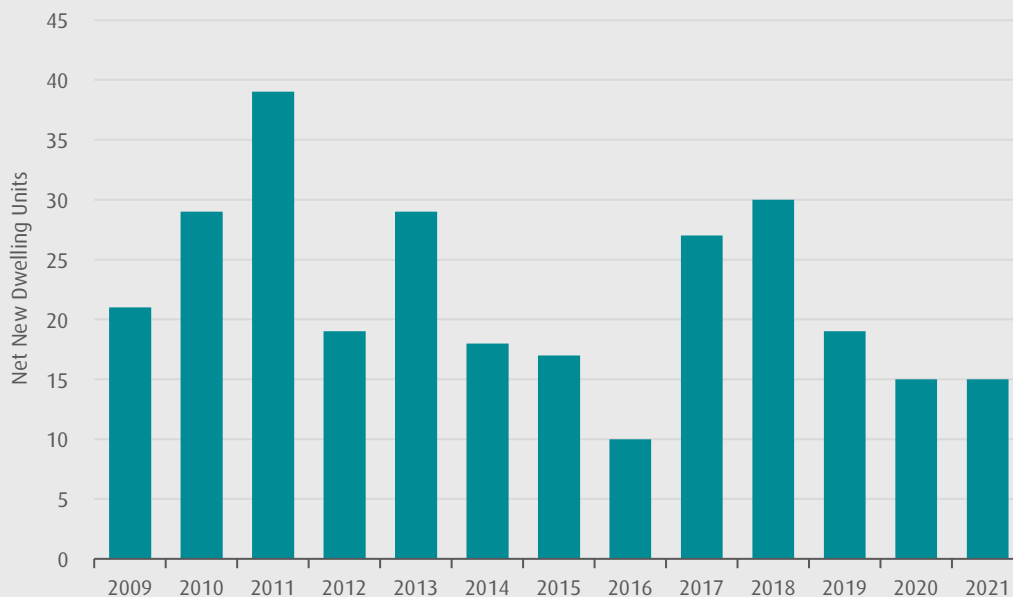
#### Target/Desired Trend

The total number of units in East Sooke and Otter Point is not to exceed 3,384 units. This includes both existing and new units.

#### How are we doing?

We are meeting the target.

As of 2021 there are 1,666 dwelling units in East Sooke and Otter Point. There has been minimal expansion, with an average of 20 net new units per year over the past 10 years.



Source: CRD Building Permit Database

**3.1a Create safe and complete communities****What is being measured?**

This indicator measures the number of people living in complete communities identified by municipalities in their Official Community Plans (OCP).

**Why is this indicator important?**

The Regional Growth Strategy supports the development of complete communities that allow residents to undertake many daily activities close to home.

**Target/Desired Trend**

Increase the number of people living in complete communities.

**How are we doing?**

Achieving the desired trend will be different for each municipality as measures of community completeness are context-specific. Trends would be best reported through OCP monitoring.



### 3.2a Reduce core housing need



#### What is being measured?

This indicator measures the percentage of households in core housing need.

A household in core housing need falls below at least one of the housing standards: adequacy (property does not require major repairs); affordability; or suitability (number of bedrooms match household size) *and* it would have to spend 30% or more of its total before-tax income to pay the median rent for housing that is acceptable (meets all three standards).

#### Why is this indicator important?

The Regional Growth Strategy aims to improve housing affordability.

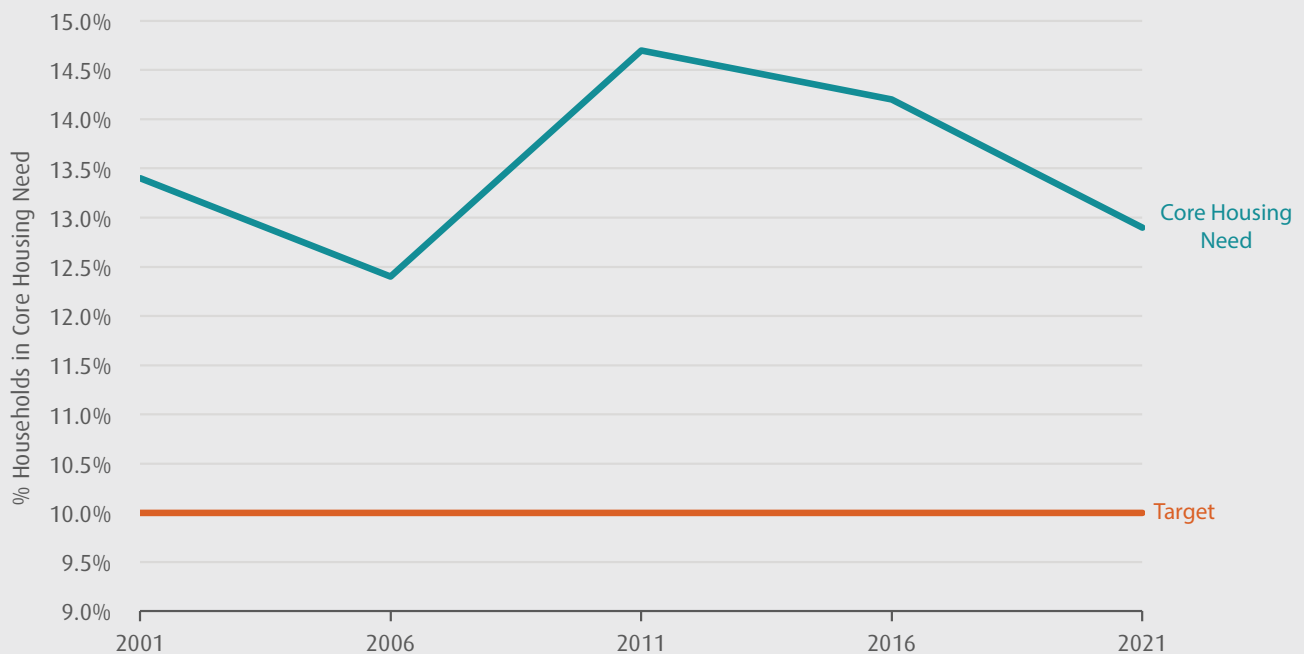
#### Target/Desired Trend

Reduce percentage of households in core housing need to 10%.

#### How are we doing?

The income measure used to calculate core housing need was from 2020. The percentage of Canadians living with low income saw the most significant decline in a five-year period since 1976. This was driven mainly by higher government transfers, especially pandemic-related benefits. These benefits primarily benefitted the working-age population, with the Canada Child Benefit helping parents and children (The Daily, Statistics Canada, July 13, 2022).

We are far from our target.



Source: Statistics Canada, Census of Population, 2001, 2006, 2016 and 2021 and National Household Survey, 2011

**3.2b Average rent for two-bedroom apartment**



**What is being measured?**

This indicator measures the average cost of two-bedroom rental housing in the Victoria Census Metropolitan Area.

**Why is this indicator important?**

The Regional Growth Strategy aims to improve housing affordability.

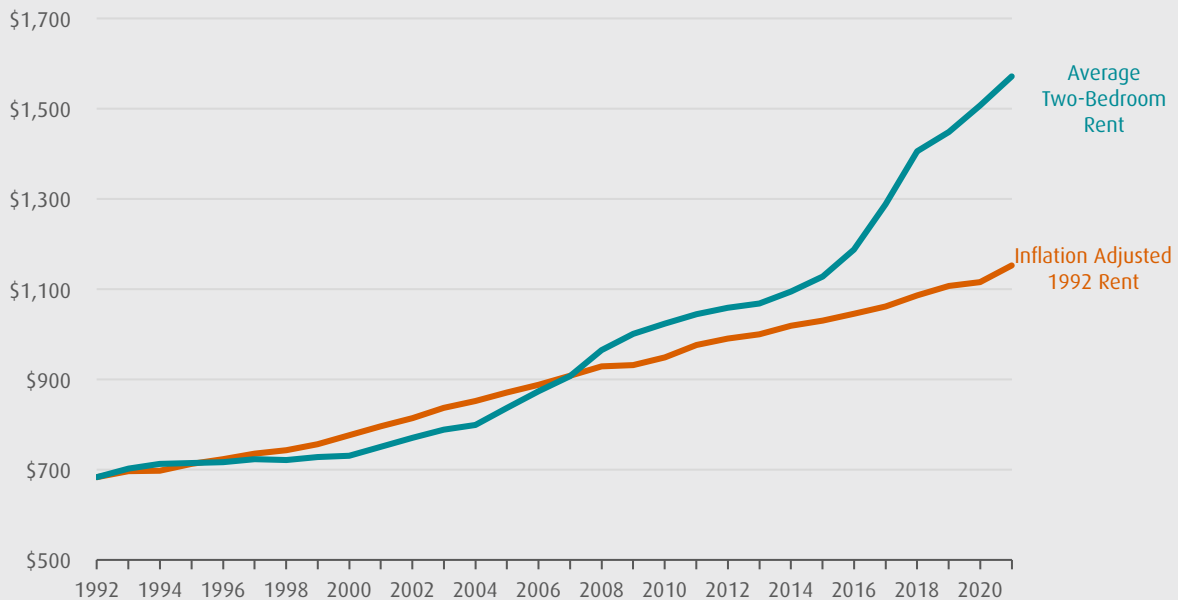
**Target/Desired Trend**

There is no target for the average cost of rental housing, however, cost increases at or below the level of inflation are preferable.

**How are we doing?**

We are currently not meeting the target.

The price of a two-bedroom rental has outpaced inflation since 2008.



Source: Canada Mortgage and Housing Corporation Rental Market Survey

**3.2c** Vacancy rate by rental price quartiles



**What is being measured?**

This indicator measures the rental vacancy rate by rental price quartiles in the Victoria Census Metropolitan Area over time.

**Why is this indicator important?**

The Regional Growth Strategy aims to improve housing affordability in the region. The rental vacancy rate by rental price quartiles is an indicator of housing supply and housing affordability in the region.

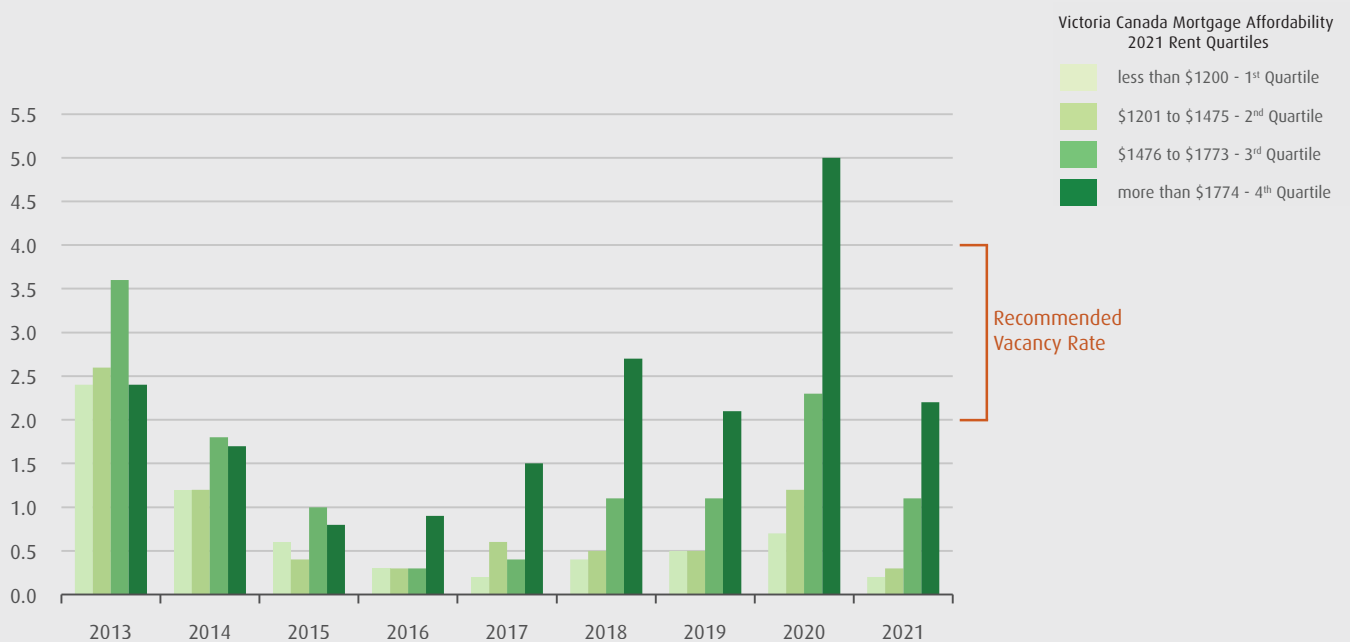
**Target/Desired Trend**

Higher vacancy rates across all prices are preferable. Recommended vacancy rates range between 2-4%.

**How are we doing?**

We are currently not meeting the desired trend.

There has been a general trend of very low vacancy rates in the region, especially at the lower price quartiles. Data from the past four years shows a marginal increase in vacancies, most significantly in units renting for more than \$1,475.



Source: Canada Mortgage and Housing Corporation Rental Market Survey



### 3.2d Increase supply of affordable housing



#### What is being measured?

This indicator measures the cumulative number of subsidized housing units in the Growth Management Planning Area (GMPA) that have a financial relationship with BC Housing. The units include emergency shelters, housing for the homeless, transitional and supported housing and assisted living, independent social housing and rent assistance in the private market.

#### Why is this indicator important?

The Regional Growth Strategy aims to increase the supply of affordable housing and to reduce the number of people who are experiencing homelessness.

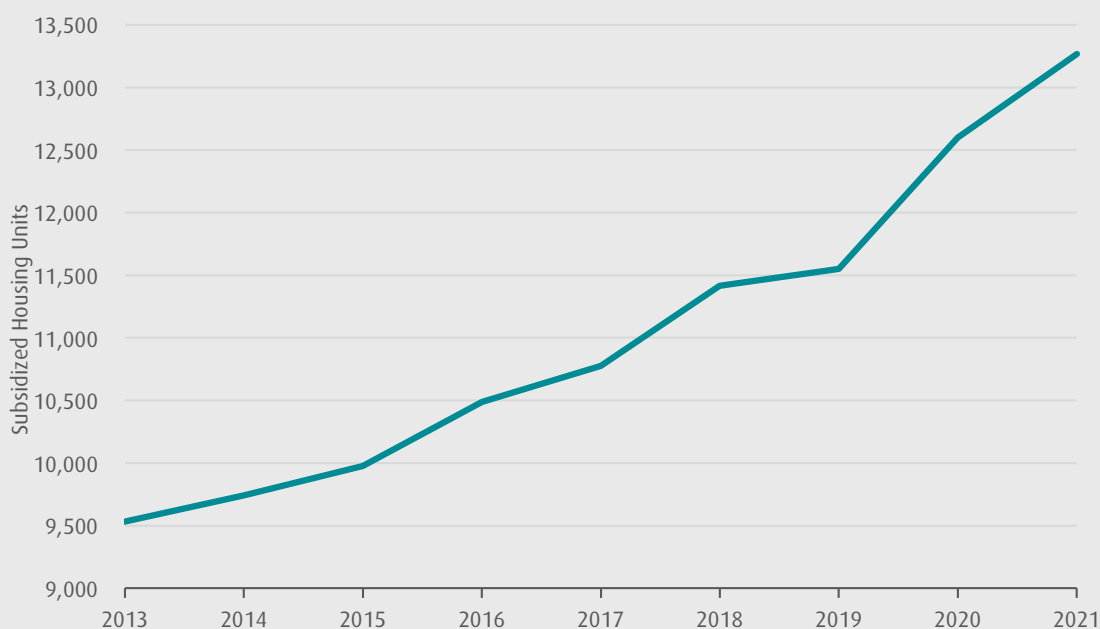
#### Target/Desired Trend

Increase the cumulative number of subsidized housing units that have a financial relationship with BC Housing.

#### How are we doing?

Progress is being made toward the target.

As of March 31, 2021 there were 13,265 subsidized housing units in the GMPA, representing an increase of 668 units in this reporting period.



Source: BC Housing's Research & Corporate Planning Department Unit Count Report March 2019, 2020, 2021

**4.1a** Percentage of total trips made by walking, cycling and transit in the Growth Management Planning Area (GMPA)



**What is being measured?**

This indicator measures the percentage of total trips made by cycling, walking and transit in the Growth Management Planning Area.

**Why is this indicator important?**

The Regional Growth Strategy aims to improve multi-modal connectivity and mobility. Mode share percentages provide the necessary data to track transportation choices over time.

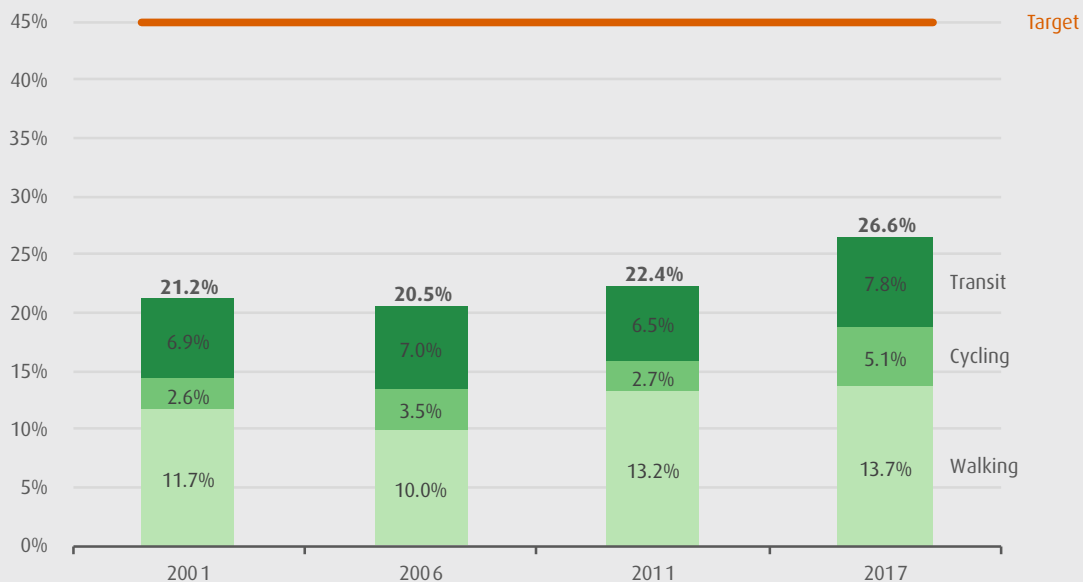
**Target/Desired Trend**

Achieve a transportation system that sees 45% of all trips made by walking, cycling and transit by 2038.

**How are we doing?**

Progress is being made toward the target.

The past three Origin Destination Household Travel Surveys show steady increases in active transportation and transit mode share over the past decade.



Source: CRD Origin Destination Survey 2001, 2006, 2011, 2017

**5.1a Jobs to population ratio**



**What is being measured?**

This indicator measures the ratio of employment to population in each Capital Regional District sub-region.

**Why is this indicator important?**

The Regional Growth Strategy aims to realize the region’s economic potential. A balanced distribution of employment and jobs indicates economic opportunities spread across the region.

**Target/Desired Trend**

Achieve a jobs to population ratio of:

- 0.60 in the Core Area
- 0.53 in the Saanich Peninsula
- 0.36 in the West Shore

**How are we doing?**

All three sub-regions have made minor progress towards their targets. This indicator will be updated in 2023 when data is available.



Source: Statistics Canada, Census of population, 2006, 2011, 2016, Place of Residence and Place of Work Tables

### 6.1a Hectares of farmland in the Growth Management Planning Area (GMPA)



#### What is being measured?

This indicator measures hectares of farmland in the Growth Management Planning Area.

#### Why is this indicator important?

The Regional Growth Strategy (RGS) aims to foster a resilient food and agricultural system.

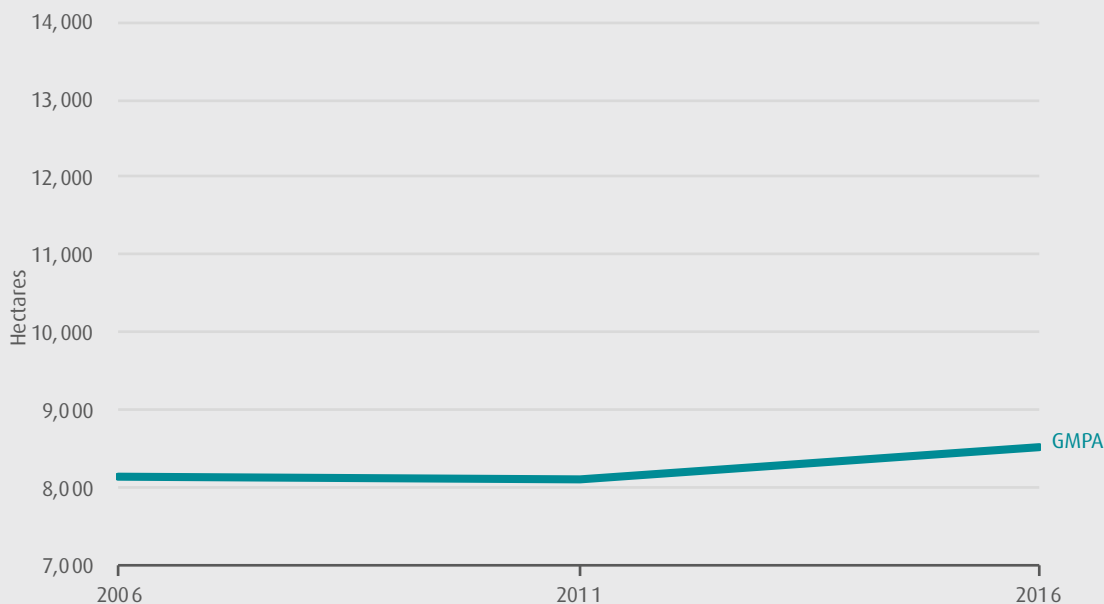
#### Target/Desired Trend

Increase the amount of land in food crop production by 5,000 hectares by 2038.

#### How are we doing?

Food systems were a new RGS objective, added in 2018. Data from the 2021 census will be the first opportunity to measure progress toward this target following adoption of this new RGS objective.

The most recent statistics from 2016 show there has been a slight increase in land being used for farming. This indicator will be updated in 2023 when data is available.



Source: Statistics Canada, custom tabulation of Census of Agriculture 2006, 2011, 2016

### 6.1b Average age of farmer



#### What is being measured?

This indicator measures the average age of farm operators.

#### Why is this indicator important?

The Regional Growth Strategy aims to foster a resilient food and agricultural system. A higher average age of farmers represents a warning sign for the future of food production in the region.

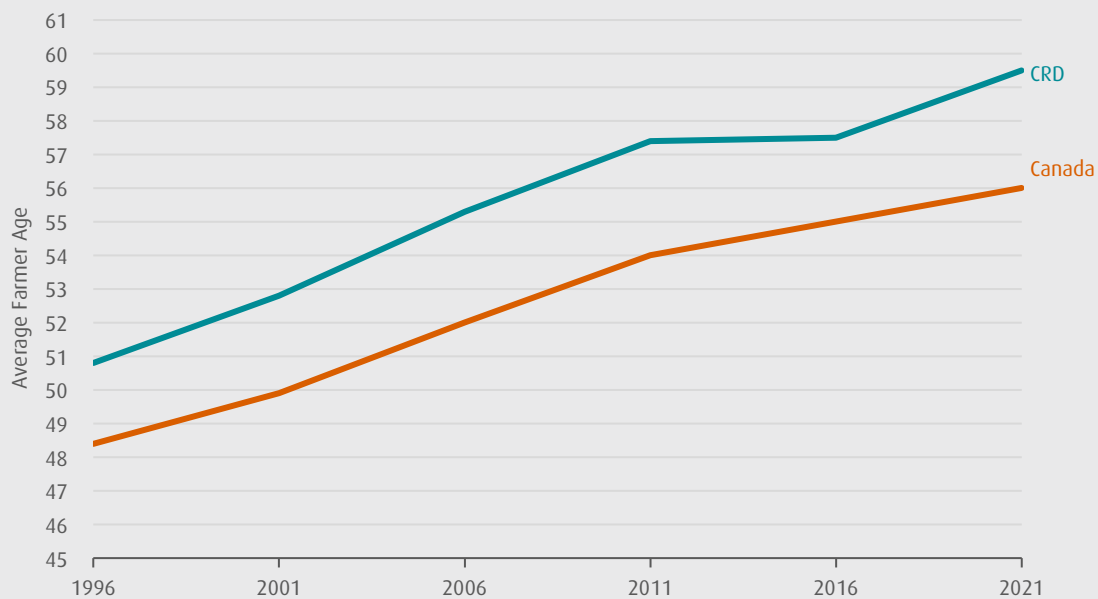
#### Target/Desired Trend

A lower average age of farmers is desirable.

#### How are we doing?

Progress toward this target remains static.

The average age of farmers in the region remains higher than the Canadian average.



Source: Statistics Canada, Census of Agriculture 1996, 2001, 2006, 2011, 2016, 2021

**7.1a Community Greenhouse Gas (GHG) emissions**



**What is being measured?**

Community Greenhouse Gas (GHG) emissions.

**Why is this indicator important?**

The Regional Growth Strategy aims to significantly reduce community GHG emissions.

**Target/Desired Trend**

Decrease community GHG emissions by 33% from 2007 levels by 2020 and 61% by 2038.

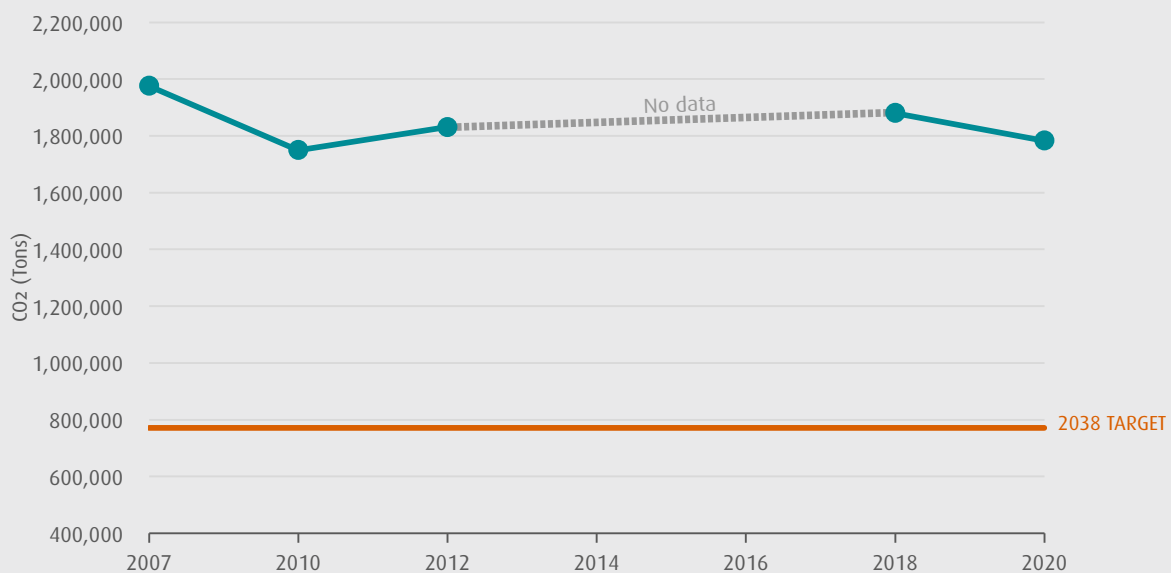
**How are we doing?**

In 2020, the Capital Regional District's (CRD) annual GHG emissions totalled approximately 1.8 million tonnes, which represents a 9.8% decline from the 2007 base year GHG emissions, and a 5% decline from 2018.

The decline in emission in 2020 over 2018 are largely associated with changes in transportation patterns associated with the COVID-19 pandemic.

On a per capita basis there has been a decline of 23% between 2007 and 2020, which speaks to the efforts by the CRD, local and senior governments to reduce energy consumption and GHG emissions.

However, the current trend suggests that we will not meet the target by 2038 unless greater effort is taken. This indicator will be updated when data is available.



Source: CRD 2020 Greenhouse Gas Protocol BASIC+ Community Greenhouse Gas Emissions Inventory Report



CRD

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## REPORT TO PLANNING AND PROTECTIVE SERVICES COMMITTEE MEETING OF WEDNESDAY, FEBRUARY 15, 2023

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**SUBJECT**     **Central Saanich Regional Context Statement**

### **ISSUE SUMMARY**

To review the District of Central Saanich regional context statement (RCS) in relation to the Capital Regional District's (CRD) Regional Growth Strategy (RGS) Bylaw (Bylaw No. 4017).

### **BACKGROUND**

On March 14, 2018 the CRD Board adopted the RGS (Bylaw No. 4017). On April 14, 2021 the CRD Board amended the RGS with updated population projections (Bylaw No. 4328).

A RCS, adopted within a local government's Official Community Plan (OCP), relates OCP provisions to the RGS. Per section 446 of the *Local Government Act* (the *Act*), an OCP in a local government to which an RGS applies must include an accepted RCS. The *Act* stipulates that upon receipt of a proposed RCS, the CRD Board must respond by resolution within 120 days to the municipal council to indicate whether or not it accepts the RCS. The Board is deemed to have accepted the RCS if it does not respond within the 120-day period.

On April 11, 2018, the CRD Board approved a framework to guide the evaluation of regional context statements.

On January 27, 2023, the District of Central Saanich submitted a RCS for Board acceptance (see Appendix A). The RCS was prepared to reflect the content of a new 2023 Central Saanich OCP in relation to the 2018 RGS. The CRD Board has until May 27, 2023, to review and respond to the Central Saanich RCS. The CRD Board approved Central Saanich's previous RCS on August 14, 2019.

Regional and Strategic Planning staff have evaluated the Central Saanich RCS in accordance with the Board-approved "Regional Context Statement Framework". This framework identifies three criteria against which staff should evaluate an RCS:

- 1) **All relevant content is included:** The RCS addresses all RGS content relevant to the OCP. Content that is not applicable in the context of the OCP should be identified as "not applicable".
- 2) **Clearly articulates relevant content:** The RCS provides a sufficient level of detail to convey how the specific OCP content relates to the RGS.
- 3) **Plan to be consistent over time:** The RCS identifies how the OCP will become consistent with the RGS over time, if content is not immediately consistent.

Appendix B presents a summary of the evaluation.

### **ALTERNATIVES**

#### *Alternative 1*

The Planning and Protective Services Committee recommends to the Capital Regional District Board:

That the District of Central Saanich regional context statement be considered in relation to the 2018 Regional Growth Strategy (Bylaw No. 4017) and be accepted in accordance with the requirements of section 448 of the *Local Government Act*.

*Alternative 2*

The Planning and Protective Services Committee recommends to the Capital Regional District Board:

That the District of Central Saanich regional context statement be considered in relation to the 2018 Regional Growth Strategy (Bylaw No. 4017) and not be accepted in accordance with the requirements of section 448 of the *Local Government Act*.

*Alternative 3*

That the Central Saanich regional context statement report be referred back to staff for additional information based on Planning and Protective Services Committee direction.

**IMPLICATIONS**

*Intergovernmental Implications*

Board acceptance of the RCS is a key RGS implementation tool as the context statement relates a local government's OCP to the RGS. The OCP provides policies that guide decisions related to land use, infrastructure, mobility, housing, parks and other content under the authority of a local government. Central Saanich has submitted a proposed RCS to fulfill its statutory obligation to have an accepted RCS that demonstrates the relationship of its new OCP to the RGS. An accepted RCS is necessary in order for Central Saanich to adopt its new OCP.

*Regional Growth Strategy Implications*

Central Saanich's proposed RCS demonstrates a strong relationship to the RGS that will work toward achieving the RGS vision and objectives, based on staff's analysis against the RCS evaluation criteria. The RCS fully captures all relevant OCP content (*criteria #1*) and generally identifies how the OCP relates to the RGS (*criteria #2*). The RCS notes policy areas where the OCP will become consistent with the RGS over time as additional planning work is undertaken (*criteria #3*).

As outlined in Appendix B, the RCS addresses population projections and the vision and objectives for growth management, environment and infrastructure, housing and community, transportation, economic development, food systems and climate action. Central Saanich will direct the majority of future growth into its four urban residential neighbourhoods, which is consistent with the RGS Urban Containment Policy Area. These areas are aligned with the RGS growth management plan described in RGS Maps 3a and 3b. Commercial growth is directed to pedestrian oriented commercial centres in Saanichton and Brentwood Bay. Commercial and industrial growth are supported in the Keating Business Park.

Central Saanich elected to pursue a narrative approach that does not include comprehensive and specific policy references in all parts of the RCS, which is noted in Appendix B. The RCS Framework recommends that an RCS be as specific as possible in terms of clearly articulating all relevant content. Without such policy references, the RCS has less substantive content than recommended.

*Environmental & Climate Implications*

The CRD Climate Action Strategy identifies sustainable land use, planning and preparedness as an important goal area to reduce greenhouse gas (GHG) emissions. RGS implementation, including the approval of RCSs that will help reduce community-based GHG emissions, is a key action. As shown in Appendix B, the Central Saanich RCS demonstrates a strong relationship to the RGS by prioritizing compact development, supporting climate adaptive agriculture, protection of rural lands and natural areas, adopting energy efficiency for building performance and municipal infrastructure, transportation policies that support transit and active transportation

options, adopting policies focused on reducing carbon emissions by 2030 and eliminating emissions by 2050, increasing renewable energy use, and integrating climate action and adaptation into local government decision-making.

*Alignment with Board & Corporate Priorities*

Reviewing RCSs for consistency addresses the Planning and Development Community Need from the 2019-2022 CRD Corporate Plan, specifically initiative 11a-2. A planning process is currently underway to identify Board priorities and an updated Corporate Plan for the 2022-2026 Board term. The RCS review is an on-going initiative, which is part of Regional and Strategic Planning core service delivery.

*Alignment with Existing Plans & Strategies*

Central Saanich’s RCS is aligned with existing CRD plans and strategies that detail and enact the seven primary objectives of the RGS.

**CONCLUSION**

Provincial legislation requires that a municipal OCP contain an accepted RCS. Board acceptance of the RCS is a key tool for RGS implementation. Staff have reviewed Central Saanich’s proposed RCS in accordance with the Board-approved evaluation framework. Central Saanich’s RCS demonstrates a strong relationship to the RGS and will work toward achieving RGS vision and objectives.

**RECOMMENDATION**

The Planning and Protective Services Committee recommends to the Capital Regional District Board:

That the District of Central Saanich regional context statement be considered in relation to the 2018 Regional Growth Strategy (Bylaw No. 4017) and be accepted in accordance with the requirements of section 448 of the *Local Government Act*.

Submitted by:	Emily Sinclair, MCIP, RPP, Senior Manager, Regional & Strategic Planning
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

**ATTACHMENTS**

- Appendix A: Central Saanich Regional Context Statement Referral
- Appendix B: Regional Context Statement Evaluation



January 27, 2023

Capital Regional District  
Attention: Emily Sinclair  
625 Fisgard Street,  
Victoria, BC V8W 1R7

Dear Ms. Sinclair,

**Re: Official Community Plan – Context Statement Referral**

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On January 6, 2023, the Council of the District of Central Saanich endorsed the following motion:

*That Bylaw No. 2100 (OCP) be referred to the Capital Regional District for approval of the Regional Context Statement.*

Should you have any questions with respect to the above, please do not hesitate to contact the undersigned at 250.544.4202.

Sincerely,



Emilie Gorman  
Director of Corporate Services/Corporate Officer

cc:

Christine Culham, Chief Administrative Officer, District of Central Saanich  
Jarret Matanowitsch, Director of Planning & Building Services, District of Central Saanich

# Schedule B:

# Regional Context Statement

## Introduction

Through its emphasis on carefully managed growth, mobility and transportation systems for all, protecting and enhancing natural ecosystems, and support for agriculture and food security, this Official Community Plan (OCP) supports the Regional Growth Strategy (RGS) vision for the region and for Central Saanich. The OCP also meets the RGS vision specifically for Central Saanich.

## Context

The District of Central Saanich was incorporated as a municipality in 1950. Central Saanich separated from the Municipality of Saanich to protect its rural heritage. The creation of the Agricultural Land Reserve in 1973 assisted in maintaining the rural and small-town character of the municipality. 61% of the District is designated ALR.

Central Saanich has five main areas for urban settlement (residential, commercial and/or industrial): Brentwood Bay, Saanichton, Tanner Ridge, Turgoose, and the Keating Business District. Most of the development in these areas occurred prior to 1990. At this time, there are few developable tracts of land left in the District. New residential development is usually in the form of residential infill and densification by subdivision and/or rezoning. There is significant light industrial/business land that may be developed when the Butler Brothers' gravel extraction operation is completed. While the existence of the Agricultural Land Reserve essentially limits urban sprawl within the District, policies in the OCP support growth that is consistent with the RGS.

# Strategic Directions

## Managing and Balancing Growth

### Keep Urban Settlement Compact

*Schedule F – Land Use Plan* designates four urban residential neighbourhoods (Brentwood Bay, Saanichton, Tanner Ridge, and Turgoose) which serve as the District’s urban containment boundaries. The residential areas are consistent with the growth management plan described by Maps 3a and 3b of the RGS.

Section 4.1 of the OCP sets out policies which state that the major portion of residential and commercial growth is to be within the Urban Containment Boundary (i.e., policies 4.1.1, 4.1.3 – 4.1.8). It is recognized that more intensive land use and higher overall densities may be needed in the urban areas to avoid putting development pressure on rural land outside of the Urban Containment Boundary. The District has a number of policies (i.e., policies 4.1.17 - 4.1.21) to allow increased densities and a wider variety of housing options, consistent with the RGS 2038 target to accommodate most new dwelling units within the Urban Containment Policy Area.

Currently, the only potential future expansion of the Urban Containment Boundary that the District may explore is to the rural properties

north of the gravel extraction pit (as per policy 4.4.28). No other changes are being contemplated at this time.

### Protect the Integrity of Rural Communities

A key objective of the OCP is the preservation of agricultural and rural land. Sixty-one percent of the land base in the District is in the Agricultural Land Reserve as set out in *Appendix A, Map 2*; consistent with the RGS.

OCP policies (sec. 4.2, 4.3) support the sustainability and economic viability of the District’s agricultural and rural lands as an integral part of rural character on the Saanich Peninsula. Sections 4.2 and 4.3 include detailed policies for protection of agricultural land and operations and environmental stewardship in support of the rural community. These policies are consistent with the Rural/Rural Residential Policy Area policies of the RGS.





## ***Environment and Infrastructure***

### **Protect, Conserve and Manage Ecosystem Health**

The OCP supports the principles of sustainability defined in the RGS and the protection of the Capital Green Lands Policy Area identified on Map 3a of the RGS. The District recognizes the importance of maintaining ecosystem health and supporting the ongoing ability of natural systems to sustain life (sec. 4.6).

The OCP (sec. 4.6) sets out policies regarding the protection of ecologically significant areas, the preservation of water quality and quantity and regulating development in environmentally sensitive areas. This is consistent with the objectives identified in the Green and Blue Spaces Vision in the RGS.

The District also encourages sustainable practices and encourages covenants to protect sensitive areas (policy 4.6.7). Specifically, the OCP states in Section 4.6 that the District will take a leadership role in educating people about the value of protecting land and water resources of ecological significance and will facilitate partnerships among the public, private, not-for-profit sectors and First Nations communities, for the conservation and stewardship of these resources.

The OCP places equal importance on Blue Spaces protection. Saanich Inlet is considered to be an important and sensitive

ecosystem, highly valued for its aesthetic, cultural, spiritual and environmental attributes. Similarly, Haro Straight has regionally significant parks, beaches, and coastal dune ecosystems. In the OCP (i.e., policy 4.6.22) the District has resolved to minimize impacts on shoreline and marine environments through zoning and the shoreline development permit process. Additionally, the District will cooperate with the CRD, Province and Federal authorities, and WSÁNEĆ Nations to protect and conserve sensitive land and water environments in Central Saanich (sec. 4.6).

### **Manage Regional Infrastructure Services Sustainably**

The OCP supports the sustainable management of regional infrastructure. Section 4.10 sets out policies related to long-term infrastructure management that are consistent with the RGS. The OCP does not generally support the extension of water or other services outside of Urban Containment Boundary established by the RGS (i.e., policy 4.10.11). Notwithstanding the above, in accordance with RGS policy 2.2.4, where water service is extended to service agriculture, water service may be provided to residential units on lands within the Agricultural Land Reserve; however, such water service is not intended to allow for future subdivision or an increase in permitted residential density. Further, several policies (i.e., policies 4.10.2, 4.10.14, 4.10.22,

4.10.24, 4.10.26) work towards the RGS 2038 target of major infrastructure improvements accounting for environmental conservation and climate change impacts.

The OCP also suggests that municipal infrastructure should be upgraded as required to ensure the capacity of the Saanich Peninsula Treatment Plant is not exceeded. The OCP further suggests that gradual, low impact growth is supported provided it is at a rate which does not place an undue burden on the existing utility infrastructure and community services. Further to this, Section 4.10 states that generally water and sanitary services will be only available in areas within the Urban Containment Boundary (i.e., policy 4.10.7).

Following best practices, infrastructure capacity assessment, upgrades, and replacement schedules typically come after the OCP with Master Plan updates. Central Saanich will be undertaking the Water, Sewer, Transportation, Storm, and Parks Master Plans updates starting in 2023. Upon completion of the Master Plan updates, the District's Development Cost Charge schedule and bylaw will be updated to ensure that development is funding capacity upgrades when required.



## ***Housing and Community***

### **Create Safe and Complete Communities**

Section 4.1 of the OCP indicates support for continued stable growth at an average of approximately 1%, which is consistent with the RGS targets. Much of this growth is planned to take place within the four urban residential neighbourhoods (Brentwood Bay, Saanichton, Tanner Ridge, and Turgoose). The OCP establishes a framework for growth in these areas that is consistent with the “Complete Community Criteria” as set out in the RGS. These policies support a wide variety of housing opportunities, types and tenures; with particular consideration for increased residential density with multi-unit developments and supportive/care housing within the urban containment boundary. A priority is placed on reducing dependence on private vehicles, increasing opportunities for public transit, and locating development in proximity to commercial activity and services.

### **Improve Housing Affordability**

A key objective identified in the OCP is to support the development of diverse housing types to accommodate the various housing needs of existing as well as future residents, and to meet the changing needs of the various age groups of residents (sec. 4.1). Proposals for multi-unit rental housing, rental housing for seniors, affordable housing, housing for First Nations or WSÁNEĆ communities, fully accessible and adaptable

housing, work force housing, supportive housing and multi-level care facilities are encouraged through development approval processes (policy 4.1.10). The District encourages alternative housing tenures (i.e., co-housing, non-profit and cooperative housing), the retention of rental housing and transitional housing (policies 4.1.11, 4.1.12). The OCP discourages the conversion of rental housing to strata ownership (policy 4.1.13). Secondary suites are also currently permitted in agricultural, rural, and most residential zones. Together, these policies work to address housing gaps in Central Saanich and to meet the RGS 2038 targets of increasing affordable housing supply and reducing the number of people in core housing need.

## ***Transportation***

### **Improve Multi-Modal Connectivity and Mobility**

The OCP supports a comprehensive local and regional transportation system which is consistent with the multi-modal transportation network set out in the Regional Transportation Plan. Section 4.9 states that priority is placed on reducing dependence on the use of private vehicles over time and that there is support for increased and improved access to transit services including improved accessibility and amenity provision to increase ridership (i.e., policies 4.9.19 – 4.9.23). The OCP supports alternative modes of transportation including

cycling and walking through the development process and through municipal investment and partnerships (i.e., policies 4.9.11 – 4.9.18). Policies that promote public transit and active modes of transportation work towards the RGS 2038 target of achieving a transportation system that sees 42% of all trips made by walking, cycling and transit.

## ***Economic Development***

### **Realize the Region’s Economic Potential**

The OCP’s fundamental principles guide decision making regarding a sustainable economy. Sections 4.4 defines policies regarding economic development in Central Saanich, including growth and management of the community’s economic sectors: commercial, tourism, recreation, light industrial, aggregate extraction, home based employment, and agriculture. Agriculture will play an increasingly important role in the food supply for the entire region (sec. 4.2 and 4.4). Section 4.2 sets out policies that support the conservation and management of Renewable Resource Lands Policy Area as identified on Map 3a of the RGS. There is continuing support for the well-established, pedestrian oriented commercial centres in Saanichton and Brentwood Bay, as well as support for the commercial and industrial activities in the Keating Business Park. These principles and policies are consistent with the RGS.



## ***Food Systems***

### **Foster a Resilient Food and Agriculture System**

A key objective of the OCP is to ensure the sustainability and economic viability of the District’s agricultural community as an integral part of farming and food production on the Saanich Peninsula and the protection of agricultural land (sec. 4.2). OCP policies are consistent with the RGS and the Regional Food and Agriculture Strategy including detailed policies for protection of agricultural land, support for drainage, stormwater management and irrigation projects that improve farm productivity; buffering of agricultural uses from residential development, farm product marketing and development of new crops. In keeping with Local Government Act Section 447 (1) (b) to bring the OCP into consistency with the RGS, consideration will be given to including a target for increasing the amount of land in food production when the OCP is reviewed in the future.

## ***Climate Action***

### **Significantly Reduce Community-Based Greenhouse Gas Emissions**

Policies throughout the OCP support the reduction of greenhouse gas emissions and encourage resource conservation consistent with the RGS. This includes policy statements supporting compact development (sec. 4.1, 4.4, 4.7), climate adaptive agriculture, parks and open space (sec. 4.2, 4.5), protection of rural lands and natural areas (sec. 4.3 and 4.6), energy efficiency for building performance and municipal infrastructure (sec 4.1, 4.7 and 4.10) and transportation policies supporting ongoing development of alternatives to the use of private automobiles (sec. 4.9 and 4.7). Section 4.7 outlines additional strong climate action policies that focus on reducing emissions by 2030 and eliminating emissions by 2050, increasing renewable energy use, and integrating climate action and adaptation into local government decision-making.

## REGIONAL CONTEXT STATEMENT EVALUATION

The Regional Context Statement (RCS) has been reviewed in accordance with the evaluation framework approved by the CRD Board on April 11, 2018. The evaluation framework relies on the three criteria shown below.

1. **All relevant content is included:** The regional context statement addresses all Regional Growth Strategy (RGS) content relevant to the Official Community Plan (OCP). Content that is not applicable in the context of the OCP should be identified as “not applicable”.

***Example:** The regional context statement contains headers, sections, a table or other such format that clearly identifies each applicable RGS objective. Should an objective not apply, such as if a municipality contains no identified food or farmlands, the context statement would note that the objective does not apply.*







2. **Clearly articulates relevant content:** The regional context statement provides a sufficient level of detail to convey how the specific OCP content relates to the RGS.

***Example:** The regional context statement provides content specificity such that it is clear what the Board is accepting. An example is: “RGS Objective X is implemented by building in “...” location, at a range of “...” densities and proximate to “...” services.” A context statement with content as follows: “RGS Objective X is implemented with OCP policies A, B and C” would not be sufficiently specific.*

3. **Plan to be consistent over time:** The regional context statement identifies how the OCP will become consistent with the RGS over time, if content is not immediately consistent.

***Example:** A regional context statement identifies that a municipality will undertake a population projection to determine how to align with the RGS population projections over time.*

**Table 1. Regional Context Statement Evaluation Framework**

		<b>Relationship to Legislative Requirement</b> For CRD* Board consideration		
<b>LGA</b>	<b>RCS Content</b>	All relevant content is included	Clearly articulates relevant content	Plan to be consistent over time
429(2)(a)	Identify how the OCP relates to the RGS vision on p. 1 of the RGS.			N/A
	The RCS relates to the vision and seven topic areas from the RGS.		Identifies how the objectives and policies are to be implemented.	
429(2)(b)	Identify how the OCP relates to the projections provided in Table 1 of the RGS.			N/A
	The RCS identifies how the OCP relates to population projections in RGS Table 1.		The RCS is aligned with RGS growth targets of approximately 1% per year.	
<b>Managing and Balancing Growth (Objectives 1.1 &amp; 1.2)</b>				
429(2)(c) and (d); 429(3)	Identify how the OCP relates to the RGS.			N/A
	The RCS identifies how the OCP aligns with RGS objectives for managing and balancing growth.		The RCS identifies four urban areas which make up the District's urban containment boundary and are consistent with Maps 3a and 3b of the RGS. This is where increased densities and a wider variety of housing types will be allowed.	
			The RCS provides policies to protect the integrity of rural and agricultural lands.	

**Legend:** Regional Context Statement Evaluation



Strong alignment with evaluation criteria; recommend approval



Moderate alignment with evaluation criteria; recommend approval



Weak alignment with evaluation criteria; do not recommend approval

**Relationship to Legislative Requirement**  
For CRD Board consideration

**LGA**

**RCS Content**

All relevant content is included

Clearly articulates relevant content

Plan to be consistent over time

**Environment and Infrastructure** (Objective 2.1 & 2.2)



The RCS identifies how the OCP aligns with RGS objectives for environmental protection, sustainability, and the efficient delivery of infrastructure.



The RCS supports RGS principles for sustainability and protection of Capital Green Lands Policy Area lands.

The RCS notes OCP policies on protection of ecologically significant areas and preservation of water quality in accordance with zoning and shoreline development permit process.

The RCS supports the RGS objective of focusing efficient and sustainable delivery of infrastructure within the Urban Containment Boundary. As well, consideration has been given to addressing potential climate change impacts through infrastructure improvements.



The RCS acknowledges that water, sewer, transportation, stormwater, and parks master plans will be updated over time and brought into conformity with OCP and RGS policies.

**Housing and Community** (Objectives 3.1 & 3.2)



The RCS identifies how the OCP aligns with RGS objectives for housing and complete communities.



The RCS supports a framework for growth that is consistent with the “Complete Community Criteria” set out in the RGS. This includes supporting a variety of housing types, diverse transportation options, and walkable communities, however does not provide specific policy references to demonstrate alignment with the RGS.

N/A

**Legend:** Regional Context Statement Evaluation



Strong alignment with evaluation criteria; recommend approval





Moderate alignment with evaluation criteria; recommend approval



Weak alignment with evaluation criteria; do not recommend approval


**Relationship to Legislative Requirement**  
For CRD Board consideration

LGA	RCS Content	All relevant content is included	Clearly articulates relevant content	Plan to be consistent over time
<b>Transportation</b> (Objective 4.1)				
	The RCS identifies how the OCP aligns with RGS objectives for transportation.		The RCS references OCP policies that support the Regional Transportation Plan.  The RCS states that priority is placed on reducing dependence on private vehicles over time and improving access to transit and active transit modes.  The RCS is aligned with the RGS goal of achieving a system by 2038 where 45% of all trips are made by walking, cycling, and transit.	The RCS notes that the Transportation Master Plan and District's road design standards will be updated to include the Active Transportation Plan.
<b>Economic Development</b> (Objective 5.1)				
	The RCS identifies how the OCP aligns with RGS objectives for economic development.		The RCS references OCP objectives that align with RGS policies on maintaining an adequate supply of employment and industrial lands in diverse range of sectors.  The RCS continues to support the development of pedestrian oriented commercial centres.  The RCS aligns with RGS policies on the conservation and management of Renewable Resource Lands Policy Area.	N/A

**Legend:** Regional Context Statement Evaluation

 Strong alignment with evaluation criteria; recommend approval

 Moderate alignment with evaluation criteria; recommend approval

 Weak alignment with evaluation criteria; do not recommend approval



**Relationship to Legislative Requirement**  
For CRD Board consideration

LGA	RCS Content	All relevant content is included	Clearly articulates relevant content	Plan to be consistent over time
<b>Food and Agricultural Systems (Objective 6.1)</b>				
	The RCS identifies how the OCP aligns with RGS objectives for food and agricultural systems.		The RCS aligns with the RGS objective for fostering a resilient food and agriculture system.  The RCS indicates a strong focus on the sustainability and economic viability of agriculture in the community.  The RCS refers to a wide range of OCP policies that support agricultural activity in the District, however does not provide specific policy references to demonstrate alignment with the RGS.	N/A
<b>Climate Action (Objective 7.1)</b>				
	The RCS identifies how the OCP aligns with RGS objectives for climate action.		The RCS aligns with the RGS objective and policies of reducing community-based greenhouse gas emissions.  The RCS identifies OCP policies that address the reduction of greenhouse gasses through: compact development; climate adaptive agriculture; parks and open space; protection of rural lands and natural areas; energy efficient buildings and infrastructure; and transportation.	N/A

**Legend:** Regional Context Statement Evaluation



Strong alignment with evaluation criteria; recommend approval



Moderate alignment with evaluation criteria; recommend approval



Weak alignment with evaluation criteria; do not recommend approval



<b>Acronym*</b>	
CRD	Capital Regional District
<i>LGA</i>	<i>Local Government Act</i>
OCP	Official Community Plan
RCS	Regional Context Statement
RGS	Regional Growth Strategy

**Legend:** Regional Context Statement Evaluation



Strong alignment with evaluation criteria; recommend approval



Moderate alignment with evaluation criteria; recommend approval



Weak alignment with evaluation criteria; do not recommend approval