



**REPORT TO ELECTORAL AREA SERVICES COMMITTEE
MEETING OF WEDNESDAY, 18 JULY, 2012**

SUBJECT **NORTH GALIANO ISLAND FIRE HALL**

ISSUE

Service establishment bylaw amendment and loan authorization for construction of the North Galiano Island Fire Hall.

BACKGROUND

The Capital Regional District (CRD) is working with the North Galiano Fire Commission (NGFC) on plans for a new fire hall to be located on community-owned property. The CRD will build and own the fire hall, and will lease the property on a long-term basis for a nominal amount of \$1.00 per year.

The current fire hall was built in 1979 on leased land. The lease expires in 2014 and the owner has indicated that he wants to use the land for himself. The proposed 2000 square foot fire hall is being designed to meet the needs of the fire department in the provision of reliable long-term emergency response and fire protection services to North Galiano. It will also serve as the community's Emergency Operations Centre (EOC) in the event of a disaster affecting North Galiano.

The estimated cost of the building is \$670,000 which will have to be borrowed through MFA. There is \$30,000 in capital reserve funds.

The NGFC has signed off on the building project definition statement. An Open House was held on June 9, 2012 to provide local citizens with an update on the project. Approximately 25 people attended and their response to the project was generally favorable.

To proceed with this project, two bylaws are proposed: a loan authorization bylaw and an amendment to the service establishment bylaw to reflect the current value calculated by the maximum rate in the bylaw. If this value change is not made and assessments continue to decrease, there will be insufficient funding. Electorate approval of these bylaws through a referendum is required. The Southern Gulf Islands (SGI) Electoral Area Director concurs that the referendum be held.

ALTERNATIVES

1. a) That bylaw No. 3843 cited as "North Galiano Island Fire Protection and Emergency Response Service Establishment Bylaw No. 1, 1990, Amendment Bylaw No. 4, 2012" be introduced and read a first time and second time, and read a third time.

b) That bylaw No. 3844 cited as "North Galiano Island Fire Hall Loan Authorization Bylaw No. 1, 2012" be introduced and read a first and second time, and read a third time.
2. That bylaws No. 3843 and 3844 be deferred to a future meeting pending further information.

Economic Implications

The project will require a loan of \$670,000. Annual debt servicing and operation costs for the service will be \$267,000. This amounts to \$153.25 per \$100,000 of assessed value for residential property and \$459.78 per \$100,000 of assessed value for the majority of other land use property. The maximum levy will remain at \$1.60/\$1,000 assessed property value.

Given these economic implications, a referendum is required to seek electorate approval for amending the service establishment bylaw (to increase the maximum requisition) and for authorizing the loan.

CONCLUSION

The landowner has given notice that he no longer wishes to provide leased land for the fire hall. Purchasing the current site is not an option. The proposed new fire hall will be located on community property that the CRD will lease for a nominal fee on a long-term basis. The CRD will own the building and the North Galiano Island Fire Protection Society will operate and maintain it.

A referendum is required to seek electorate approval of the service establishment amendment and loan authorization bylaws needed for the project to proceed. The Southern Gulf Islands (SGI) Electoral Area Director concurs that the referendum be held.

RECOMMENDATIONS

That the Electoral Area Services Committee recommend to the CRD Board:

That a referendum be held in order to confirm the proposed service area's position regarding the amended service establishment and loan authorization bylaws; and therefore:

- a) That bylaw No. 3843 cited as "North Galiano Island Fire Protection and Emergency Response Service Establishment Bylaw No. 1, 1990, Amendment Bylaw No. 4, 2012" be introduced and read a first time and second time, and read a third time.
- b) That bylaw No. 3844 cited as "North Galiano Island Fire Hall Loan Authorization Bylaw No. 1, 2012" be introduced and read a first and second time, and read a third time.

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**CAPITAL REGIONAL DISTRICT
BYLAW NO. 3843**

**A BYLAW TO AMEND BYLAW 1852 BEING “NORTH GALIANO ISLAND FIRE
PROTECTION LOCAL SERVICE BYLAW NO. 1, 1990”**

The Board of the Capital Regional District in open meeting assembled enacts as follows:

1. Bylaw No. 1852, “North Galiano Island Fire Protection Local Service Bylaw No. 1, 1990” is hereby amended as follows:

By deleting Subsection 5(a) in its entirety and replacing it with the following subsection:

- “5. The maximum amount that may be requisitioned under Section 803(1) for the Local Service will be the greater of:

(a) Two Hundred Sixty Seven Thousand (\$ 267,000); or

2. This Bylaw may be cited as “North Galiano Island Fire Protection and Emergency Response Service Establishment Service Bylaw No. 1, 1990, Amendment Bylaw No. 4, 2012”.

READ A FIRST TIME THIS _____th day of _____ 2012

READ A SECOND TIME THIS _____th day of _____ 2012

READ A THIRD TIME THIS _____th day of _____ 2012

APPROVED BY THE INSPECTOR OF MUNICIPALITIES THIS _____ day of _____ 2012

RECEIVED ASSENT OF THE ELECTORS THIS _____th day of _____ 2012

ADOPTED THIS _____th day of _____ 2012

CHAIR

CORPORATE OFFICER

FILED WITH THE INSPECTOR OF MUNICIPALITIES THIS _____th day of _____ 2012

CAPITAL REGIONAL DISTRICT

BYLAW NO. 3844

A BYLAW TO AUTHORIZE THE BORROWING OF SIX HUNDRED SEVENTY THOUSAND DOLLARS (\$670,000) FOR CONSTRUCTION OF A NEW FIRE HALL FOR THE NORTH GALIANO ISLAND FIRE PROTECTION AND EMERGENCY RESPONSE SERVICE AREA

WHEREAS:

- A. Pursuant to Section 774.2(3) and (4) of the *Local Government Act*, the Board of the Capital Regional District adopted Bylaw No. 1852, "North Galiano Island Fire Protection and Emergency Response Service Establishment Bylaw No. 1, 1990", as amended, to provide a service ("the Service") for the purpose of fire prevention, fire suppression, and emergency response;
- B. The Board of the Capital Regional District wishes to design, construct and operate a new fire hall in connection with the Service (the "Project");
- C. The estimated cost of the Project, including expenses incidental thereto to be funded by debt servicing, is the sum of Six Hundred Seventy Thousand dollars (\$ 670,000), which is the amount of debt intended to be authorized by this bylaw;
- D. Pursuant to Section 823.1 of the *Local Government Act*, participating area approval is required and shall be obtained by assent of the electors under Section 801.2 of the *Local Government Act*;
- E. The approval of the Inspector of Municipalities is required under Section 819 of the *Local Government Act*; and
- F. It is proposed that the financing of the Project is to be undertaken by the Municipal Finance Authority of British Columbia pursuant to proposed agreements between that Authority and the Capital Regional District.

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

- 1. The Board is hereby empowered and authorized to undertake and carry out or cause to be carried out the planning, study, design and construction of works for the provision of the facilities and equipment for the purpose of the Project in connection with the Service and to do all things necessary in connection with the Project and without limiting the generality of the foregoing:
 - (a) to borrow upon the credit of the Regional District a sum not exceeding Six Hundred Seventy Thousand dollars (\$ 670,000);
 - (b) to acquire all such real property, easements, rights-of-way, leases, licenses, rights or authorities as may be requisite or desirable for or in connection with the Project.

2. The maximum term for which debentures may be issued to secure the debt intended to be created by this bylaw is fifteen (15) years.

3. This Bylaw may be cited as the “North Galiano Island Fire Hall Loan Authorization Bylaw No. 1, 2012”.

READ A FIRST TIME THIS _____ day of _____

READ A SECOND TIME THIS _____ day of _____

READ A THIRD TIME THIS _____ day of _____

APPROVED BY THE INSPECTOR OF MUNICIPALITIES THIS _____ day of _____

RECEIVED PARTICIPATING AREA
APPROVAL UNDER SECTION 801.2
OF THE *LOCAL GOVERNMENT ACT* THIS _____ day of _____

ADOPTED THIS _____ day of _____

CHAIR

CORPORATE OFFICER

FILED WITH THE INSPECTOR OF MUNICIPALITIES THIS _____ day of _____