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**REPORT TO ELECTORAL AREA SERVICES COMMITTEE
MEETING OF WEDNESDAY, JULY 17, 2013**

**SUBJECT JUAN DE FUCA ELECTORAL AREA COMMUNITY PARKS AND
RECREATION FACILITIES SERVICE ESTABLISHMENT BYLAW**

ISSUE

Service establishment for the provision of parks, recreational programs, facilities and acquisition of real property in the Juan de Fuca Electoral Area (JDF EA).

BACKGROUND

The Capital Regional District (CRD) has authority under two Supplementary Letters Patent (SLPs) to levy funds for community parks and recreation programs in the three CRD electoral areas. The maximum levies in each of the SLPs were set in 1987 for community parks and 1975 for recreation programs. In the JDF EA, the parks program budget has been consuming the maximum levy since 2008; in 2013 the recreation program budget has utilized 85% of the maximum levy. Average annual operating expense increases are estimated to be 2.8%. The looming funding shortfall is putting the sustainability of the JDF EA community parks and recreation programs at risk by inhibiting the CRD's ability to implement the JDF EA Community Parks Strategic Plan (2010).

To address the shortfall, this submission proposes a service establishment bylaw for the JDF EA community parks and recreation programs that includes a maximum requisition consistent with budget projections to 2020. The JDF EA Parks and Recreation Commission and the Juan de Fuca Electoral Area Director are in favour of establishing a new service as the most appropriate and practical option as an alternative to converting the existing SLPs in order to increase the levies. This is a better solution for the following reasons:

- With a conversion all three Electoral Areas would be involved in the alternative approval process, even though only the JDF EA requires a change. This process would be more costly and needlessly complicated as the current SLP levies are sufficient to meet the other Electoral Areas' requirements; and
- A combined bylaw for Parks and Recreation provides flexibility of shifting resources between community parks and recreations programs as can be required from time to time.

The JDF EA Parks and Recreation current levy under the SLPs will stop with the approval of a new combined authority.

ALTERNATIVES

1. That Bylaw No. 3767 cited as the "Juan de Fuca Electoral Area Community Parks and Recreation Facilities Service Establishment Bylaw No. 1, 2013" be introduced and read a first time, read a second time, read a third time.
2. That the JDF community parks and recreation programs continue to function according to resources available through the two SLP levies currently provided for community parks and recreation programs.

IMPLICATIONS

Economic Implications

The current maximum levy for the JDF EA community parks and recreation programs derived from both SLPs is \$240,090 at the combined rate of \$0.183/\$1000 of net taxable values. Based on long-term forecasts, the maximum requisition recommended in the proposed service establishment bylaw is \$275,000 using a levy rate of \$0.21/\$1000. This new levy will be sufficient to provide for estimated operating increases of an average of 2.8% per year. The increase to the average residential assessment would be \$8.96 at 2013 levels if levying at the maximum rate.

Social and Environmental Implications

The JDF Community Parks Strategic Management Plan (2010) provides the blueprint for long-term sustainability and development of JDF EA community parks and recreation programs. It was the subject of extensive community consultation and strikes a balance of financial, economic and social values in the delivery of community parks and recreation programs.

CONCLUSION

Funding resources available to the JDF EA community parks and recreation programs will soon fall short of needs as forecasted in the JDF Community Parks Strategic Management Plan (2010). The most administratively efficient way and preferred method by the JDF EA Parks and Recreation Commission to close the pending financial shortfall is to establish a new service for the JDF EA community parks and recreation programs. This bylaw proposes a maximum requisition that is set at a limit considered sufficient to cover the full range of forecasted costs from the provision of community parks, recreational programs, and facilities to the acquisition of real property for new park and recreation programs development. With the approval of a new Parks and Recreation combined bylaw for the JDF EA the levy under the SLPs will cease for that area.

RECOMMENDATION

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

That Bylaw No. 3767 cited as the “Juan de Fuca Electoral Area Community Parks and Recreation Facilities Service Establishment Bylaw No. 1, 2013” be introduced and read a first time, read a second time, read a third time.

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**CAPITAL REGIONAL DISTRICT
BYLAW NO. 3767**

**A BYLAW TO ESTABLISH A SERVICE FOR PROVIDING COMMUNITY PARKS,
RECREATIONAL AND COMMUNITY PROGRAMMING, FACILITIES AND ACQUISITION OF
REAL PROPERTY IN THE JUAN DE FUCA ELECTORAL AREA**

WHEREAS:

- A. The Capital Regional District may, under Section 796 of the *Local Government Act*, establish and provide any service that the Board considers necessary or desirable for all or part of the Capital Regional District;
- B. The Board of the Capital Regional District wishes to establish a service for the provision of community parks, recreational and community programming, facilities, equipment and acquisition of real property for the Juan de Fuca Electoral Area;
- C. Participating area approval is required and shall be obtained by alternative approval process under Section 801.3 of the *Local Government Act*, and
- D. The approval of the Inspector of Municipalities has been obtained under Section 801(1)(a) of the *Local Government Act*.
- E. The Supplementary Letters Patent for Community Parks dated 28th August, 1975 and Community Recreation Programs dated 3rd October, 1975 will no longer be used for the Electoral Area of Juan de Fuca, with the approval of this bylaw.

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

Service

- 1. This Bylaw establishes a service for the purpose of providing community parks, recreational and community programming, recreational facilities, equipment and acquisition of real property for the Juan de Fuca Electoral Area (the “**Service**”).

Boundaries

- 2. The boundaries of the Service Area shall be coterminous with the Juan de Fuca Electoral Area (the “**Service Area**”).

Participating Area

- 3. Only the Juan de Fuca Electoral Area is a participating area for this service.

Cost Recovery

- 4. As provided in Section 803 of the *Local Government Act*, the annual costs of providing the Service may be recovered by one or more of the following:

