



Notice of Meeting and Meeting Agenda Governance and Finance Committee

Wednesday, July 29, 2020

10:00 AM

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

Special Meeting

S. Brice (Chair), D. Howe (Vice-Chair), D. Blackwell, B. Desjardins, B. Isitt, K. Murdoch, G. Orr,
J. Ranns, M. Tait, K. Williams, R. Windsor, C. Plant (Board Chair, ex-officio)

1. Territorial Acknowledgement

2. Approval of Agenda

3. Presentations/Delegations

4. Special Meeting Matters

4.1. [20-444](#) Sale of 808 and 836 Viewfield Road Properties

Recommendation: The Governance and Finance Committee recommends to the Capital Regional District Board:
That the net proceeds from the sale of 808 and 836 Viewfield in Esquimalt, BC, be used to reduce future borrowing requirements of the Core Area Wastewater Treatment service.

Attachments: [Staff Report: Sale of Viewfield Road Properties](#)

4.2. [20-432](#) Regional Role in Economic Development

Recommendation: The Governance and Finance Committee recommends to the Capital Regional District Board:
That the Regional Role in Economic Development report be received for information.

Attachments: [Staff Report: Regional Role in Economic Development](#)
[Appendix A: CRD Contributions to the Regional Economy](#)

4.3. [20-446](#) Diversity and Inclusion Statement - Response to Notice of Motion

Recommendation: The Governance and Finance Committee recommends to the Capital Regional District Board:
That the following diversity and inclusivity statement be included on the agenda cover for each of the Capital Region Housing Corporation, Capital Regional Hospital District and Capital Regional District Boards and each of the standing committees of those Boards:

The Capital Regional District strives to be a place where inclusion is paramount and people are treated with dignity, regardless of race, colour, ancestry, place of origin, religion, marital status, family status, physical or mental disability, sex, sexual orientation, gender identity or expression, or economic status.

We are grateful for the efforts underway in our community while recognizing our ongoing responsibility to create a safe space for everyone to be heard. We pledge to make our meetings a place where all feel welcome and respected.

Attachments: [Staff Report: Diversity and Inclusion \(Response to Notice of Motion\)](#)
[Appendix A: Sample Statements from other Local Governments](#)

5. Notice(s) of Motion

6. Motion to Close the Meeting

7. Adjournment

Next Meeting: September 2, 2020



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REPORT TO GOVERNANCE AND FINANCE COMMITTEE MEETING OF WEDNESDAY, JULY 29, 2020

SUBJECT **Sale of 808 and 836 Viewfield Road Properties**

ISSUE SUMMARY

To receive direction on \$3.7 million of net proceeds generated through the disposition of 808 and 836 Viewfield Road.

BACKGROUND

808 and 836 Viewfield Road were two properties purchased on September 30, 2014, for \$17.4 million by the Core Area Wastewater Treatment service as a potential site for residuals treatment within the wastewater treatment project. Through various engagements, consultations, and project scoping exercises, the CRD Board concluded the properties would not be used in the treatment process and as a result, staff were directed to recover expenditures in a fiscally responsible manner. Subsequently, the properties underwent improvements of \$1.7 million to attract lease tenants and increase resale value. Over the past five years, building operations have generated a surplus of \$2.1 million or \$0.6 million net of interest costs related to debt.

On June 24, 2019, the property located at 808 Viewfield Road was sold for \$11.3 million to Spinnakers Brewery. Furthermore, on July 23, 2020, 836 Viewfield Road was sold for \$11.1 million to the 836 Viewfield Limited Partnership. The completed sale of both properties has resulted in a net gain on sale of \$3.1 million.

Combining both the operating surplus and gain on sale, net proceeds total \$3.7 million.

ALTERNATIVES

Alternative 1

The Governance and Finance Committee recommends to the Capital Regional District Board: That the net proceeds from the sale of 808 and 836 Viewfield in Esquimalt, BC, be used to reduce borrowing requirements of the Core Area Wastewater Treatment service.

Alternative 2

The Governance and Finance Committee recommends to the Capital Regional District Board: That the net proceeds from the sale of 808 and 836 Viewfield in Esquimalt, BC, be transferred to reserves and staff report back with additional options.

IMPLICATIONS

Financial Implications

Table 1 provides additional details on one-time and ongoing impacts related to the Viewfield properties since 2014. Highlights include the \$2.1 million operating surplus from building operations and a simple return on investment of 16.7%. Net proceeds total \$3.7 million to the benefit of the core area service participants.

Table 1: Timing of One-time and Operating Impacts (\$ millions)

	2014	2015	2016	2017	2018	2019	2020	Total
One-Time Impacts								
Purchase of Properties	(17.4)							(17.4)
Improvements			(1.2)	(0.3)	(0.2)			(1.7)
Proceeds of Sale						11.2	11.0	22.2
Net Gain of Sale								3.1
Ongoing Impacts								
Leasing Revenue	0.3	0.9	0.2	0.5	0.8	0.7	0.2	3.6
Building Expenses		(0.5)	(0.4)	(0.3)	(0.2)	(0.1)		(1.5)
Gross Operating								2.1
Interest Costs	(0.1)	(0.2)	(0.2)	(0.2)	(0.4)	(0.3)	(0.1)	(1.5)
Net Operating								0.6
Net Proceeds of Sale								3.7
Return on Investment (ROI)								16.7%

The participant share of net proceeds is based on the design capacity benefit allocation and summarized below in table 2.

Table 2: Participant Share of Net Proceeds (\$ millions)

Colwood	0.158	4.26%
Esquimalt	0.246	6.65%
Langford	0.468	12.66%
Oak Bay	0.239	6.45%
Saanich	1.130	30.54%
Victoria	1.341	36.25%
View Royal	0.118	3.19%
Total Apportionment	3.700	100%

Alternative 1

As a one-time benefit, the typical procedure would be retention of net proceeds within the service to reduce future borrowings. Within the 2020-2024 Financial Plan, the Core Area Wastewater Treatment service has planned borrowings of approximately \$25 million. Reducing debt by \$3.7 million would save an estimated \$4.3 million in principal and interest payments through 2034.¹

Alternative 2

Alternatively, as a one-time benefit, the net proceeds could be transferred to reserves of the Core Area Wastewater Treatment service participants as shown in table 2. The existing reserve structure is currently under review. The aforementioned planned borrowings would proceed and be recovered from participants as needed.

¹ Assumptions: CRD Financial Planning Guidelines – Interest rate of 1.9%

CONCLUSION

The CRD has successfully recovered expenditures and generated net proceeds of \$3.7 million through the building operations and sale of the 808 and 836 Viewfield properties. This building was funded through the Core Area Wastewater Treatment service and therefore will be credited to the service participants.

RECOMMENDATION

The Governance and Finance Committee recommends to the Capital Regional District Board: That the net proceeds from the sale of 808 and 836 Viewfield in Esquimalt, BC, be used to reduce future borrowing requirements of the Core Area Wastewater Treatment service.

Submitted by:	Rianna Lachance, BCom, CPA, CA, Senior Manager, Financial Services
Concurrence:	Nelson Chan, MBA, CPA, CMA, Chief Financial Officer
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer



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REPORT TO GOVERNANCE AND FINANCE COMMITTEE MEETING OF WEDNESDAY, JULY 29, 2020

SUBJECT Regional Role in Economic Development

ISSUE SUMMARY

To receive an overview of the Capital Regional District's (CRD) current contribution to the region's economic development and its role in the region's future prosperity and resilience.

BACKGROUND

At its May 13, 2020 meeting, the CRD Board directed staff to review the CRD's role in regional economic development. Discussion focused on economic recovery from the COVID 19 pandemic and the roles of the CRD, municipalities and the South Island Prosperity Partnership (SIPP) in the region's economic development. The ongoing challenge presented by the global pandemic has increased the focus on structural changes and new opportunities and limitations to grow our economy, existing needs that must be addressed through a strong economy, including supporting families who are struggling, economic recovery and the need to continue protecting the environment and addressing climate change.

Modern economic development relies on partnership contributions from all levels of government and non-government organizations. These partnerships recognize that economic development occurs on a spectrum, where each partner uses the tools and authorities for which they have responsibility to achieve common goals. The spectrum includes both direct and indirect investments that build economic and social capacity to improve household prosperity and overall quality of life. Common goals for a community are typically defined through strategy or policy documents, developed in collaboration with partners.

On the spectrum of economic development tools, local governments typically rely on the following:

1. **Advocacy & Knowledge:** data analysis (e.g., demographics, projections) and partnership coordination.
2. **Policy & Regulation:** Land use and infrastructure planning, economic development strategy.
3. **Funding:** Purchasing and financing power, dissemination of grant funding, land banking.
4. **Community Investment:** Capital projects, service delivery that sustains quality of life.

In accordance with provincial legislation, local governments are limited in their ability to provide direct economic contributions to the private sector. Senior levels of government contribute primarily through fiscal policy and the creation of sector-specific legal and operating frameworks, as well as the injection of capital or grant funding. Non-government organizations such as business associations, partnerships and chambers of commerce provide coordination and business strategy development, contribute knowledge and expertise on attractive business investment climates, provide marketing and advertising, support business incubators / accelerators and provide data analysis on economic indicators.

Across British Columbia, the economic development tools deployed by local governments depend on their bylaws, strategic direction and mandates. For example, in some communities a business organization leads coordination and strategy development, and in others this is the responsibility of the local government or an economic development corporation. The degree and type of involvement is highly dependent on factors such as demographics, economic conditions, financial and human resources, existing local government service mandates and civic culture.

ALTERNATIVES

Alternative 1

The Governance and Finance Committee recommends to the Capital Regional District Board: That the Regional Role in Economic Development report be received for information.

Alternative 2

That the Regional Role in Economic Development report be referred back to staff for more information based on Governance and Finance Committee direction.

IMPLICATIONS

Service Delivery Implications

The CRD's mandate is developed through the Board's Strategic Plan and the organization's Corporate Plan and formalized, where provincial authority requires, through service establishment bylaws with participating municipalities and electoral areas. Through its existing mandate, the CRD supports economic development as follows:

- Administers two electoral area economic development commissions;
- Undertakes data analysis and research projects and coordinates sector-specific opportunities, as requested;
- Sound planning and strategic investment in major projects such as wastewater treatment, water servicing, affordable housing and hospital district supports a stable and sustainable development environment;
- Provides services that contribute to the health, safety and quality of life for regional residents, such as indoor and outdoor recreation activities, a thriving arts scene, safe drinking water supply and natural environment protection; and,
- Responsible financial management and stable fiscal environment provides businesses with the confidence to invest.

Appendix A provides more detail on the contributions of CRD services to the regional economy.

Community/Stakeholder Implications

The economic development stakeholder landscape has evolved over time with various groups and sectors responding to arising needs. No one entity is responsible for defining an economic development strategy across the whole region. The Chambers of Commerce each provide a range of services in their specific geographies, while SIPP has earned the support of municipalities and businesses alike. The Downtown Victoria Business Association (DVBA) focuses on downtown Victoria, while groups hosted by Tourism Victoria and Victoria Innovation, Advanced Technology and Entrepreneurship Council (VIATEC) attend to those sectors respectively.

Formal CRD membership to economic development stakeholder organizations are limited. Most recently, discussions with SIPP concerning CRD membership did not advance given SIPP's membership bylaw and financial contribution structure. Opportunities for partnerships should continue to be explored, given the CRD's significant role in strategic infrastructure investment and quality of life contributions.

Intergovernmental Implications

The CRD supports staff-level intergovernmental coordination on topics such as planning, transportation, community health, climate action and recreation through working groups and committees. Recently, many of these working groups and committees have provided a forum to discuss economic recovery implications. The CRD plays a convener role, working through established channels to identify, coordinate and report out on opportunities of interest.

Partnerships with the provincial and federal government are critical to fund long term infrastructure investments which stimulate the economy, support growth and create a long term stable platform for other forms of investment. The CRD works closely with senior levels of government to align funding opportunities that will achieve shared strategic objectives such as affordable housing, sustainable infrastructure development and climate action.

The CRD is preparing an indigenous economic development model feasibility study. The study will identify the economic opportunities and interests of First Nations within the CRD spectrum of services. The long-term objective is to establish a process that will enable enhanced partnership opportunities with First Nations to support achievement of their desired economic development outcomes. An example of such is the partnership with T'Sou-ke First Nation to operate and maintain the Sooke Potholes Campground.

Regional Growth Strategy Implications

Since its adoption in 2003, the RGS has been a tool representing the region's collective vision for its future. RGS Section 5 sets out policies to help realize the region's economic potential. The policies focus on building on the region's quality of life advantage, preserving employment lands, prioritizing attraction of businesses that support climate action and protecting the working land base. These policies could help inform an economic development framework.

Alignment with Board & Corporate Priorities

Economic development is one of 15 community needs in the 2019-2022 Corporate Plan. Regional economic development is a Board priority and providing data and recommendations on the CRD's role in economic development is a key corporate initiative.

CONCLUSION

The CRD's current role in economic development is based on its service mandates. The CRD contributes directly to the region's economy through infrastructure planning and development, and indirectly through significant community investment in quality of life. Through this work, the CRD ensures a reliable and sustainable investment climate that supports business attraction and retention. As a committed contributor to the economic health of the region, the CRD has a strong interest in supporting a regional economic development strategy and partnering with senior levels of government and stakeholders on economic development initiatives.

RECOMMENDATION

The Governance and Finance Committee recommends to the Capital Regional District Board: That the Regional Role in Economic Development report be received for information

Submitted by:	Emily Sinclair, MCIP, RPP, Senior Manager, Regional & Strategic Planning
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

ATTACHMENT(S)

Appendix A: CRD Contributions to the Regional Economy

Appendix A: CRD Contributions to the Regional Economy

The regional economy represents \$15.9 billion (B) in Gross Domestic Product (GDP) and 221,000 jobs, more than 10% of the province's total 2.4 million (M) total jobs. Institutional employers and a small and medium enterprises specializing in government, real estate, high-tech, finance, insurance and tourism services anchor the regional economy. Institutional, office, and retail activities have been key to the successful development of Urban Centres across the region. The CRD supports this economic activity through long-range regional growth management, transportation planning and sustainable infrastructure servicing.

The CRD has an annual capital budget of approximately \$400M to invest in critical infrastructure, development and asset maintenance. The CRD has successfully attracted significant senior government grants, leveraging our capital investments to secure large funding envelopes. It is anticipated that senior governments will provide additional infrastructure grant funding to support pandemic recovery. The CRD is in a strong position to continue attracting grants for projects that will stimulate economic growth while achieving Board priorities for affordable housing and climate action. Through wise financial management, the CRD provides a stable fiscal climate that supports business attraction and retention.

The following table outlines the CRD's contributions, based on the spectrum of economic development tools available to local government and the CRD's current service mandate.

Advocacy & Knowledge	Policy & Regulation	Funding	Community Investment
<ul style="list-style-type: none"> ✓ Data analysis (demographics, projections, building permits) ✓ Convener for discussion on sector-specific matters of interest 	<ul style="list-style-type: none"> ✓ Create an attractive, reliable and sustainable investment climate through long-range growth management and wise service planning ✓ Administer economic development commissions for two electoral areas responsible for items such as advocacy, sector-specific business attraction, a rural business accelerator program, coordination, strategy development and business support. ✓ Prepare an indigenous economic development model feasibility study 	<ul style="list-style-type: none"> ✓ Received and distributed over \$500M in grant funding from senior levels of government ✓ Nearly \$1B 5-year capital plan allows CRD to leverage senior government grants and accelerate debt repayment ✓ Project employment is a significant economic generator, contributing approximately 750 jobs as a result of construction and operation 	<ul style="list-style-type: none"> ✓ \$120M in affordable housing construction, operation and maintenance, providing 1418 housing units for residents, with a goal of adding 2,000 more ✓ \$775M in tertiary wastewater treatment, serving residents and protecting the environment ✓ Provide parks, recreation and arts facilities and services that support quality of life and contribute competitive advantage for business attraction and retention



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REPORT TO GOVERNANCE AND FINANCE COMMITTEE MEETING OF WEDNESDAY, JULY 29, 2020

SUBJECT **Diversity and Inclusion Statement – Response to Notice of Motion**

ISSUE SUMMARY

At the July 8, 2020 meeting the CRD Board directed consideration of an inclusion and diversity statement at the beginning of meetings. A proposed statement is included for consideration of the Board, with the intent that if approved it be added to CRD Board and standing committee meeting agendas going forward.

BACKGROUND

At the July 8, 2020 meeting the CRD Board endorsed the following notice of motion:
That the Board ask the Governance and Finance committee to consider the matter of the Board developing an inclusion and diversity statement at the beginning of the meetings after the First Nations Territorial Acknowledgement and report back to the Board.

In June 2019, the CRD Board amended the CRD Board Procedures Bylaw to include a territorial acknowledgement in the order of proceedings which requires all Boards, committees and commissions to follow the procedures bylaw to include an acknowledgement at meetings. This initiative arose out of the recommendations of the Special Task Force on First Nations Relations; the Task Force report also suggested work in the areas of “eliminating barriers and systemic discrimination to ensure a corporate environment that promotes equity and diversity in the workplace”. The Chief Administrative Officer is delivering on this recommendation through the Organizational Development Plan and internal initiatives and working groups.

Recent global events, including the Black Lives Matter movement, have turned significant attention to equality and diversity and the need for more awareness and sensitivity to how differences are treated and perceived culturally, socially, organizationally and individually. A statement acknowledging this and reminding the Board to be conscious of it in their meetings and deliberations is timely.

Other local governments include equity, diversity and inclusion statements for their organization or at their public meetings; a sample of those statements is included in Appendix A.

ALTERNATIVES

Alternative 1

The Governance and Finance Committee recommends to the Capital Regional District Board: That the following diversity and inclusivity statement be included on the agenda cover for each of the Capital Region Housing Corporation, Capital Regional Hospital District and Capital Regional District Boards and each of the standing committees of those Boards:

The Capital Regional District strives to be a place where inclusion is paramount and people are treated with dignity, regardless of race, colour, ancestry, place of origin,

religion, marital status, family status, physical or mental disability, sex, sexual orientation, gender identity or expression, or economic status.

We are grateful for the efforts underway in our community while recognizing our ongoing responsibility to create a safe space for everyone to be heard. We pledge to make our meetings a place where all feel welcome and respected.

Alternative 2

The Governance and Finance Committee recommends to the Capital Regional District Board: That staff consult with internal working groups, organizational consultants and community leaders on the proposed statement and report back to committee.

Alternative 3

That this report be referred back to staff for additional information given the scope clarification provided by the Governance and Finance Committee.

IMPLICATIONS

The CRD Board would be joining many local governments in adopting a statement to be included in public meeting agenda documentation. The proposed statement includes a list of groups that is identical to the list included in the City of Victoria statement as it seemed to be the most inclusive. While we could draft a unique statement in consultation with community leaders, if the committee chooses to endorse this approach, staff would benefit from direction on who to select for consultation as there is potentially a broad group that would feel named or impacted by the statement. In addition, we would want to ensure that we are not duplicating the work of our member municipalities in this area, as we all live one region and serve the same constituents. If the Board chooses to endorse the statement as drafted, the Board could choose to update the statement at any time if it feels the need to refresh the message.

CONCLUSION

The CRD Board has requested consideration of the development of an inclusion and diversity statement at the beginning of CRD Board and committee meetings. A proposed statement is included for the review of the Board to adopt or to request community involvement in the refinement of the statement.

RECOMMENDATION

The Governance and Finance Committee recommends to the Capital Regional District Board: That the following diversity and inclusivity statement be included on the agenda cover for each of the Capital Region Housing Corporation, Capital Regional Hospital District and Capital Regional District Boards and each of the standing committees of those Boards:

The Capital Regional District strives to be a place where inclusion is paramount and people are treated with dignity, regardless of race, colour, ancestry, place of origin, religion, marital status, family status, physical or mental disability, sex, sexual orientation, gender identity or expression, or economic status.

We are grateful for the efforts underway in our community while recognizing our ongoing responsibility to create a safe space for everyone to be heard. We pledge to make our

meetings a place where all feel welcome and respected.

Submitted by:	Emilie Gorman, MPA, Manager, Legislative Services & Deputy Corporate Officer
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

ATTACHMENT(S)

Appendix A: Sample Statements from other Local Governments

The following are 6 examples of inclusivity statements from municipal councils:

CITY OF VICTORIA

Council is committed to ensuring that all people who speak in this chamber are treated in a fair and respectful manner. No form of discrimination is acceptable or tolerated. This includes discrimination because of race, colour, ancestry, place of origin, religion, marital status, family status, physical or mental disability, sex, sexual orientation, gender identity or expression, or economic status. This Council chamber is a safe place where all human rights are respected and where we all take responsibility to create a safe, inclusive environment for everyone to participate. [Link](#)

CITY OF COLWOOD

Colwood City Council is a safe place where every person is to be treated with respect. Verbal abuse, bullying, or threats of any kind will result in removal from City Hall. [Link](#)

CITY OF YELLOWKNIFE

We are grateful for our city, for our homes, for our neighbours, and for our freedom. We are grateful for the opportunity we have to meet here and to serve our fellow citizens.

May we bring both the strength of our convictions, and the willingness to listen and learn, to our discussions. May we consider the needs and aspirations of all our fellow citizens in our decisions. And may we always represent our constituents with dignity, integrity, and honesty. [Link](#)

CITY OF DELTA

The City of Delta absolutely and unequivocally condemns racism. There is no place for racism, hate, or discrimination at the City or in the community.

We can do more and continue to listen and learn, and are working to support anti-racism activities in the community so we can be part of positive change. Visit Delta.ca/Diversity for details on Delta's actions to promote diversity. [Link](#)

CITY OF SALMON ARM (Website only)

The City of Salmon Arm joins the community in recognizing the importance of building an inclusive community where everyone is accepted, respected, free from violence and fear, and able to thrive, regardless of race, colour, cultural background, religion, age, sex, gender identity, sexual/affectational orientation, or level of ability.

There has never been, nor will there ever be a place for racism, discrimination, or hatred in our community. We stand in unity with Indigenous Peoples and Nations, with the Black Lives Matter movement, and with other communities in calling for an end to racism and other forms of violence.

We are supportive, deeply grateful, and committed to best practices and continuous improvement of our many agencies who support and safeguard our most vulnerable community members.

The only way through what has been a difficult, challenging and community rallying time, is together. We recognize the role each of us play in building an inclusive community and thank you for helping us to do all we can to make Salmon Arm a safe and inclusive place to live. Be kind always.

In friendship, appreciation and community, thank you. [Link](#)

CITY OF VANCOUVER (Website only)

We are working on ways to address many of these issues, including the Healthy City Strategy activities and joint committees such as the Trans, Gender Diverse, and Two Spirit Inclusion Advisory Committee, among others.

We are always striving for improvement and to work towards a fairer, safer, more inclusive city. [Link](#)