

**METRO VANCOUVER REGIONAL DISTRICT (MVRD)  
BOARD OF DIRECTORS**

**REGULAR BOARD MEETING**

**Friday, July 26, 2019**

**9:00 A.M.**

**28<sup>th</sup> Floor Boardroom, 4730 Kingsway, Burnaby, British Columbia**

[Membership and Votes](#)

**REVISED AGENDA<sup>1</sup>**

**A. ADOPTION OF THE AGENDA**

**1. July 26, 2019 Regular Meeting Agenda**

That the MVRD Board adopt the agenda for its regular meeting scheduled for July 26, 2019 as circulated.

**B. ADOPTION OF THE MINUTES**

**1. June 28, 2019 Regular Meeting Minutes**

That the MVRD Board adopt the minutes for its regular meeting held June 28, 2019 as circulated.

**C. DELEGATIONS**

- Added 1. Roderick Louis**  
Subject: Metro 2050 Engagement Plan

**2. Skye Noh, Sustainability**  
Subject: Aligning Climate 2050 with the IPCC Special Report on Global Warming of 1.5°C

**D. INVITED PRESENTATIONS**

**E. CONSENT AGENDA**

*Note: Directors may adopt in one motion all recommendations appearing on the Consent Agenda or, prior to the vote, request an item be removed from the Consent Agenda for debate or discussion, voting in opposition to a recommendation, or declaring a conflict of interest with an item.*

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<sup>1</sup> Note: Recommendation is shown under each item, where applicable. All Directors vote unless otherwise noted.

## **1. ELECTORAL AREA COMMITTEE REPORTS**

### **1.1 *Electoral Area A Zoning Bylaw Review – Scope of Work and Engagement Process***

That the MVRD Board approve the scope of the proposed *Electoral Area A Zoning Bylaw Review* and authorize staff to proceed with the engagement process as presented in the report titled “*Electoral Area A Zoning Bylaw Review – Scope of Work and Engagement Process*”, dated June 17, 2019.

### **1.2 *Barnston Island Agricultural Viability Study – Action Plan***

That the MVRD Board endorse the actions as presented in the report dated June 14, 2019, titled “*Barnston Island Agricultural Viability Study – Action Plan*” in response to the recommendations in the Barnston Island Agricultural Viability Study.

## **2. PERFORMANCE AND AUDIT COMMITTEE REPORTS**

### **2.1 *Appointment of External Auditors***

That the MVRD Board appoint BDO Canada LLP as external auditors for the fiscal years 2019 to 2023.

## **3. REGIONAL PLANNING COMMITTEE REPORTS**

### **3.1 *Where Matters: Health and Economic Impacts of Where We Live Final Report***

That the MVRD Board:

- a) receive for information the report dated June 11, 2019, titled “*Where Matters: Health and Economic Impacts of Where We Live Final Report*”; and
- b) forward the “*Where Matters: Health and Economic Impacts of Where We Live Final Report*” and its attachment to member jurisdiction Mayors and Councils for information.

### **3.2 *Metro 2050 Engagement Plan***

That the MVRD Board:

- a) Adopt the Metro 2050 Engagement Plan as outlined in the report dated June 14, 2019, titled “*Metro 2050 Engagement Plan*”;
- b) In alignment with the requirements of Section 434 (3) of the *Local Government Act*, direct staff to include a Regional Public Hearing as part of the engagement process for *Metro 2050*; and
- c) As per Section 433 (4) of the *Local Government Act*, notify affected local governments and the Minister of Municipal Affairs and Housing of the initiated update to *Metro 2040*.

### **3.3 *Housing Needs Reports – A Regional Approach***

That the MVRD Board receive for information the report dated June 24, 2019, titled “*Housing Needs Reports – A Regional Approach*”.

### **3.4 2019 Agriculture Awareness Grant Recommendations**

That the MVRD Board award the 2019 Agriculture Awareness Grants to the following thirteen non-profit organizations:

- i. BC Agriculture in the Classroom Foundation, for the “Take a Bite of BC” project in the amount of \$6,000;
- ii. BC Chicken Grower’s Association, for the “Poultry in Motion Educational Mini Barn” project in the amount of \$4,000;
- iii. Delta Farmland & Wildlife Trust, for the “Day at the Farm” event in the amount of \$2,000;
- iv. DRS Earthwise Society, for the “Tomato Festival” in the amount of \$2,000;
- v. FarmFolk CityFolk, for “Climate and Food Story Series” in the amount of \$4,500;
- vi. Growing Chefs Society, for “Classroom Gardening and Cooking Program” in the amount of \$5,000;
- vii. Haney Farmers Market Society, for “The Market Goes to the Farm” event in the amount of \$500;
- viii. Langley Environmental Partners Society, for the “Langley Eats Local” project in the amount of \$4,000;
- ix. Maple Ridge Agricultural Advisory Committee, for the “Booth-in-a-Box” display at in the amount of \$2,250;
- x. North Shore Neighbourhood House, for the “Edible Garden Seed Saving Project” in the amount of \$5,750;
- xi. Public Health Association of BC, for the “Farm to School BC Learning Circles: Growers to Sowers” in the amount of \$3,000;
- xii. The Sharing Farm, for the “10th Annual Garlic Festival” in the amount of \$3,000; and
- xiii. Vancouver Urban Farming Society, for the “8th Annual Urban Farming Forum” in the amount of \$3,000.

## **4. MAYORS COMMITTEE REPORTS**

### **4.1 Collaborative Regional Flood Management Strategy**

That the MVRD Board:

- a) endorse a collaborative approach for the Fraser Basin Council’s Lower Mainland Flood Management Strategy between all levels of government in the lower mainland and request that the Fraser Basin Council share the Flood Management Strategy with the Integrated Partnership for Regional Emergency Management (IPREM); and
- b) refer the strategy to Metro Vancouver staff to review Metro Vancouver’s potential role under the Lower Mainland Flood Management Strategy.

## **5. REGIONAL PARKS COMMITTEE REPORTS**

### **5.1 Boundary Bay Park Association Contribution Agreement**

That the MVRD Board approve the Contribution Agreement between the Metro Vancouver Regional District and the Boundary Bay Park Association for a one-year term in the amount of \$7,000, commencing January 1, 2020 and ending December 31, 2020.

**5.2 Burnaby Lake Park Association Contribution Agreement**

That the MVRD Board approve the Contribution Agreement between the Metro Vancouver Regional District and the Burnaby Lake Park Association for a one-year term in the amount of \$13,000, commencing January 1, 2020 and ending December 31, 2020.

**5.3 Colony Farm Park Association Contribution Agreement**

That the MVRD Board approve the Contribution Agreement between the Metro Vancouver Regional District and the Colony Farm Park Association for one-year term in the amount of \$5,000, commencing January 1, 2020 and ending December 31, 2020.

**5.4 Derby Reach Brae Island Parks Association Contribution Agreement**

That the MVRD Board approve the Contribution Agreement between the Metro Vancouver Regional District and the Derby Reach Brae Island Parks Association for a one-year term in the amount of \$15,000, commencing January 1, 2020 and ending December 31, 2020.

**5.5 Minnekhada Park Association Contribution Agreement**

That the MVRD Board approve the Contribution Agreement between the Metro Vancouver Regional District and the Minnekhada Park Association for a one-year term in the amount of \$13,000, commencing January 1, 2020 and ending December 31, 2020.

**6. CLIMATE ACTION COMMITTEE REPORTS**

**6.1 Aligning *Climate 2050* with the IPCC Special Report on Global Warming of 1.5°C**

That the MVRD Board:

- a) endorse the proposed amendments to the *Climate 2050 Strategic Framework* to reflect a commitment to a carbon neutral region by 2050, and an interim target of reducing greenhouse gas emissions by 45% from 2010 levels by 2030;
- b) direct staff to bring forward a proposed amendment to *Metro 2040*, the regional growth strategy, to the Metro Vancouver Board for consideration, to incorporate revised greenhouse gas reduction targets (including interim targets).

**7. FINANCE AND INTERGOVERNMENT COMMITTEE REPORTS**

**7.1 2019-2022 Board Strategic Plan**

That the MVRD Board approve the *2019-2022 Board Strategic Plan* as presented in the report dated June 26, 2019, titled "2019-2022 Board Strategic Plan".



## **8. CHIEF ADMINISTRATIVE OFFICER REPORTS**

### **8.1 Metro Vancouver 2019 Appointments to External Agencies – Amendment for Lower Mainland Local Government Association**

That the MVRD Board appoint Director Neil Belenkie, as the 2019 Metro Vancouver representative to the *Lower Mainland Local Government Association* for the remainder of 2019 term.

## **F. ITEMS REMOVED FROM THE CONSENT AGENDA**

## **G. REPORTS NOT INCLUDED IN CONSENT AGENDA**

### **1. PERFORMANCE AND AUDIT COMMITTEE REPORTS OR CAO**

#### **1.1 City of New Westminster – Metro Vancouver Regional District Security Issuing Bylaw No. 1288, 2019**

*[Recommendation a), b) and d): simple weighted majority vote.] and  
[Recommendation c): 2/3 weighted majority vote.]*

That the MVRD Board:

- a) pursuant to Sections 182(1)(b) and 182(2)(a) of the Community Charter, give consent to the request for financing from the City of New Westminster in the amount of \$22,145,000;
- b) give first, second and third reading to *Metro Vancouver Regional District Security Issuing Bylaw No. 1288, 2019* being a bylaw to authorize the entering into an Agreement respecting financing between the Metro Vancouver Regional District and the Municipal Finance Authority of British Columbia;
- c) pass and finally adopt *Metro Vancouver Regional District Security Issuing Bylaw No. 1288, 2019*; and
- d) forward *Metro Vancouver Regional District Security Issuing Bylaw No. 1288, 2019* to the Inspector of Municipalities for Certificate of Approval.

**1.2 City of Port Coquitlam – Metro Vancouver Regional District Security Issuing Bylaw No. 1289, 2019**

*[Recommendation a), b) and d): simple weighted majority vote.] and  
[Recommendation c): 2/3 weighted majority vote.]*

That the MVRD Board:

- a) pursuant to Sections 182(1)(b) and 182(2)(a) of the Community Charter, give consent to the request for financing from the City of Port Coquitlam in the amount of \$52,000,000;
- b) give first, second and third reading to *Metro Vancouver Regional District Security Issuing Bylaw No. 1289, 2019* being a bylaw to authorize the entering into an Agreement respecting financing between the Metro Vancouver Regional District and the Municipal Finance Authority of British Columbia;
- c) pass and finally adopt *Metro Vancouver Regional District Security Issuing Bylaw No. 1289, 2019*; and
- d) forward *Metro Vancouver Regional District Security Issuing Bylaw No. 1289, 2019* to the Inspector of Municipalities for Certificate of Approval.

**1.3 Township of Langley – Metro Vancouver Regional District Security Issuing Bylaw No. 1287, 2019**

*[Recommendation a), b) and d): simple weighted majority vote.] and  
[Recommendation c): 2/3 weighted majority vote.]*

That the MVRD Board:

- a) pursuant to Sections 182(1)(b) and 182(2)(a) of the Community Charter, give consent to the request for financing from the Township of Langley in the amount of \$19,950,000;
- b) give first, second and third reading to *Metro Vancouver Regional District Security Issuing Bylaw No. 1287, 2019* being a bylaw to authorize the entering into an Agreement respecting financing between the Metro Vancouver Regional District and the Municipal Finance Authority of British Columbia;
- c) pass and finally adopt *Metro Vancouver Regional District Security Issuing Bylaw No. 1287, 2019*; and
- d) forward *Metro Vancouver Regional District Security Issuing Bylaw No. 1287, 2019* to the Inspector of Municipalities for Certificate of Approval.

## **H. MOTIONS FOR WHICH NOTICE HAS BEEN GIVEN**

### **1. Procedure Bylaw Amendment**

"Whereas Section 9.1 of the MVRD Procedure Bylaw Number 1205, 2014 (the "Bylaw") states that any Director desiring to bring before the Board any new matter, other than a point of order or privilege, shall do so by way of motion;

"And whereas Part 10 of the Bylaw sets out the procedure for reconsidering "a matter";

"And whereas section 9.1 may be interpreted or used to prevent directors from bringing forward motions regarding matters that are related to but separate from "a matter" that has been before the Board;

"And whereas Directors should be free to bring forward to the Board matters that are not subject to Part 10 of the Bylaw;

Therefore Be It Resolved that the MVRD Board request staff to bring forward an amendment to the MVRD Procedure Bylaw Number 1205, 2014 to delete the word "new" in Section 9.1."

## **I. OTHER BUSINESS**

### **1. MVRD Board Committee Information Items and Delegation Summaries**

## **J. BUSINESS ARISING FROM DELEGATIONS**

## **K. RESOLUTION TO CLOSE MEETING**

*Note: The Board must state by resolution the basis under section 90 of the Community Charter on which the meeting is being closed. If a member wishes to add an item, the basis must be included below.*

That the MVRD Board close its regular meeting scheduled for July 26, 2019 pursuant to the *Community Charter* provisions, Section 90 (1) (a), (d), (j) and (k) as follows:

"90 (1) A part of a board meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

- (a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the regional district or another position appointed by the regional district;
- (d) the security of the property of the regional district;
- (j) information that is prohibited, or information that if it were presented in a document would be prohibited, from disclosure under section 21 of the *Freedom of Information and Protection of Privacy Act*; and
- (k) negotiations and related discussions respecting the proposed provision of a regional district service that are at their preliminary stages and that, in the view of the board or committee, could reasonably be expected to harm the interests of the regional district if they were held in public."

**L. RISE AND REPORT (Items Released from Closed Meeting)**

**M. ADJOURNMENT/CONCLUSION**

That the MVRD Board adjourn/conclude its regular meeting of July ,26, 2019.

**METRO VANCOUVER REGIONAL DISTRICT  
BOARD OF DIRECTORS**

Minutes of the Regular Meeting of the Metro Vancouver Regional District (MVRD) Board of Directors held at 1:12 p.m. on Friday, June 28, 2019 in the 28<sup>th</sup> Floor Boardroom, 4730 Kingsway, Burnaby, British Columbia.

**MEMBERS PRESENT:**

Burnaby, Chair, Director Sav Dhaliwal  
 North Vancouver City, Vice Chair Director  
     Linda Buchanan  
 Anmore, Alternate Director Paul Weverink for  
     John McEwen  
 Belcarra, Director Neil Belenkie  
 Bowen Island, Director David Hocking  
 Burnaby, Director Pietro Calendino  
 Coquitlam, Director Craig Hodge  
 Coquitlam, Director Richard Stewart  
 Delta, Director George Harvie (departed at  
     1:24 p.m.)  
 Electoral Area A, Director Jen McCutcheon  
 Langley City, Alternate Director Gayle Martin for  
     Val van den Broek  
 Langley Township, Alternate Director Patrina  
     Arnason for Jack Froese  
 Lions Bay, Director Ron McLaughlin  
 North Vancouver District, Director Lisa Muri  
 Pitt Meadows, Alternate Director Tracy Miyashita  
     for Bill Dingwall (arrived at 1:21 p.m.)

Port Coquitlam, Director Brad West  
 Port Moody, Alternate Director Hunter Madsen  
     for Rob Vagramov (arrived at 1:16 p.m.)  
 Richmond, Director Malcolm Brodie  
 Richmond, Director Harold Steves  
 Surrey, Director Doug Elford  
 Surrey, Director Laurie Guerra  
 Surrey, Director Jack Singh Hundial  
 Surrey, Director Brenda Locke  
 Surrey, Director Steven Pettigrew  
 Vancouver, Director Christine Boyle  
 Vancouver, Director Adriane Carr  
 Vancouver, Director Melissa De Genova  
 Vancouver, Director Lisa Dominato  
 Vancouver, Alternate Director Pete Fry for  
     Kennedy Stewart  
 Vancouver, Director Colleen Hardwick  
 Vancouver, Director Michael Wiebe  
 West Vancouver, Director Mary-Ann Booth

**MEMBERS ABSENT:**

Burnaby, Director Mike Hurley  
 Delta, Director Lois Jackson  
 Langley Township, Director Kim Richter  
 Maple Ridge, Director Mike Morden

New Westminster, Director Jonathan Côté  
 Surrey, Director Doug McCallum  
 Tsawwassen, Director Ken Baird  
 White Rock, Director Darryl Walker

**STAFF PRESENT:**

Carol Mason, Chief Administrative Officer  
 Janis Knaupp, Legislative Services Coordinator, Board and Information Services  
 Chris Plagnol, Corporate Officer

**A. ADOPTION OF THE AGENDA**

**1. June 28, 2019 Regular Meeting Agenda**

**It was MOVED and SECONDED**

That the MVRD Board:

- a) amend the agenda for its regular meeting scheduled for June 28, 2019 by adding Item C.1 Roderick Louis; and
- b) adopt the agenda as amended.

**CARRIED**

**B. ADOPTION OF THE MINUTES**

**1. May 24, 2019 Regular Meeting Minutes**

**It was MOVED and SECONDED**

That the MVRD Board adopt the minutes for its regular meeting held May 24, 2019 as circulated.

**CARRIED**

**C. DELEGATIONS**

**1. Roderick Louis**

Roderick Louis referenced the *Greater Vancouver Regional Fund* Semi-Annual Report as of December 31, 2018 as presented in Item E1.1 of the agenda.

Mr. Louis requested the Board amend the *Federal Gas Tax Fund (GVRF) Expenditures Policy* to require TransLink to report out on annual projected debts, annual interest rates, interest payments, debt principal payments, and total costs for servicing all debts for the current year and following 20-year term as part of all future applications. He also requested the Board send a letter to TransLink and the TransLink Mayors Council informing them of these changes.

1:16 p.m. Alternate Director Madsen arrived at the meeting.

Mr. Louis commented on TransLink's annual income-to-debt ratio and the need for more scrutiny and transparency on how public funds are being used.

On-table executive summary was distributed to members and is retained with the June 28, 2019 MVRD Board agenda.

**D. INVITED PRESENTATIONS**

No items presented.

**E. CONSENT AGENDA**

At the request of Directors, the following items were removed from the Consent Agenda, in the following order, for consideration under Section F. Items Removed from the Consent Agenda:

- 1.3 Asset Management for Corporate Facilities and Equipment Policy
- 1.1 Greater Vancouver Regional Fund Semi-Annual Report as of December 31, 2018

1:21 p.m. Alternate Director Miyashita arrived at the meeting.

**It was MOVED and SECONDED**

That the MVRD Board adopt the recommendations contained in the following items presented in the June 28, 2019 MVRD Board Consent Agenda:

- 1.2 Board Voting Technology
- 1.4 2019 Rail~Volution Conference – Request for Sponsorship
- 2.1 Best Management Practices for Invasive Species: English Holly, English and Irish Ivies, Yellow Archangel, Himalayan Balsam, and Parrot’s Feather
- 2.2 Board Appointment and Rescindments of Staff as Officers
- 3.1 By-election 2019 Results for the Office of Electoral Area A Director
- 3.2 Appointment of Metro Vancouver’s 2019 Representative to the UBCM Indigenous Relations Committee

**CARRIED**

The items and recommendations referred to above are as follows:

**1.2 Board Voting Technology**

Report dated May 27, 2019 from Chris Plagnol, Corporate Officer and Greg Smith, Chief Technology Officer, updating the Board on a technology solution to automate the Board’s voting process.

*Recommendation:*

That the MVRD Board receive for information the report dated May 27, 2019, titled “Board Voting Technology”.

*Adopted on Consent*

**1.4 2019 Rail~Volution Conference – Request for Sponsorship**

Report dated June 13, 2019 from the Finance and Intergovernment Committee, together with report dated May 27, 2019 from James Stiver, Division Manager, Growth Management and Transportation, Regional Planning, seeking MVRD Board approval of a Metro Vancouver’s sponsorship, in the amount of \$10,000, for the Rail~Volution conference to be held in Metro Vancouver in September 2019.

*Recommendation:*

That the MVRD Board approve \$10,000 of sponsorship funding in support of the Regional Day component of the Rail~Volution Conference to be held in Metro Vancouver on September 11, 2019.

*Adopted on Consent*

**2.1 Best Management Practices for Invasive Species: English Holly, English and Irish Ivies, Yellow Archangel, Himalayan Balsam, and Parrot's Feather**

Report dated May 21, 2019 from Laurie Bates-Frymel, Senior Regional Planner Planning and Environment, providing the MVRD Board with information on new invasive species management practices documents, and seeking Board approval to forward the report to member jurisdictions for information.

*Recommendation:*

That the MVRD Board:

- a) receive for information the report dated May 21, 2019, titled "Best Management Practices for Invasive Species: English Holly, English and Irish Ivies, Yellow Archangel, Himalayan Balsam, and Parrot's Feather"; and
- b) direct staff to forward the report to member jurisdictions for information.

*Adopted on Consent*

**2.2 Board Appointment and Rescindments of Staff as Officers**

Report dated May 27, 2019 from Kathy Preston, Lead Senior Engineer, Planning and Environment, seeking MVRD Board approval to appoint a Metro Vancouver employee as an officer and rescind appointments of former employees.

*Recommendation:*

That the MVRD Board:

- a) pursuant to the *Greater Vancouver Regional District Air Quality Management Bylaw* and the *Environmental Management Act*:
  - i. appoint the following Metro Vancouver employee as an officer: Permitting and Enforcement Officer, Brian Kerin; and
  - ii. rescind the appointments of the following persons as officers: Lynne Bosquet and Donna Hargreaves; and
- b) pursuant to section 28 of the *Offence Act*:
  - i. appoint the following Metro Vancouver employee for the purpose of serving summons for alleged violations under the *Greater Vancouver Regional District Air Quality Management Bylaw*: Permitting and Enforcement Officer, Brian Kerin; and
  - ii. rescind the appointments for the purpose of serving summons of the following persons: Lynne Bosquet and Donna Hargreaves.

*Adopted on Consent*



**3.1 By-election 2019 Results for the Office of Electoral Area A Director**

Report dated June 20, 2019 from Klara Kutakova, Chief Election Officer, MVRD Electoral Area A, conveying the results of the June 15, 2019 by-election for the Office of Director, Electoral Area A, Metro Vancouver Regional District.

*Recommendation:*

That the MVRD Board receive for information the report dated June 20, 2019 titled "By-election 2019 Results for the Office of Electoral Area A Director".

*Adopted on Consent*

**3.2 Appointment of Metro Vancouver's 2019 Representative to the UBCM Indigenous Relations Committee**

Report dated June 18, 2019 from Sav Dhaliwal, Chair, MVRD Board, seeking that the MVRD Board appoint Director Ken Baird, Vice-Chair of Metro Vancouver's Indigenous Relations Committee, to the Union of BC Municipalities' Indigenous Relations Committee, for the remainder of 2019.

*Recommendation:*

That the MVRD Board appoint Director Ken Baird, Vice-Chair of Metro Vancouver's Indigenous Relations Committee, to the Union of BC Municipalities' Indigenous Relations Committee for the remainder of 2019.

*Adopted on Consent*

**F. ITEMS REMOVED FROM THE CONSENT AGENDA**

The items removed from the Consent Agenda were considered in numerical order.

**1.1 Greater Vancouver Regional Fund Semi-Annual Report as of December 31, 2018**

Report dated May 27, 2019 from Raymond Kan, Senior Planner, Regional Planning, presenting to the MVRD Board TransLink's status report on active projects funded by federal gas tax funds through the *Greater Vancouver Regional Fund*.

**It was MOVED and SECONDED**

That the MVRD Board receive for information the report dated May 27, 2019, titled "Greater Vancouver Regional Fund Semi-Annual Report as of December 31, 2018."

**CARRIED**

**1.3 Asset Management for Corporate Facilities and Equipment Policy**

Report dated May 31, 2019 from Greg Smith, Chief Technology Officer, Corporate Services, seeking MVRD Board approval of the *Asset Management for Corporate Facilities and Equipment Policy* which will establish asset management principles and a framework to balance asset performance, risk and cost to support the long-term provision of Regional Services not covered under a separate asset management policy.

1:24 p.m. Director Harvie departed the meeting.

**It was MOVED and SECONDED**

That the MVRD Board approve the *Asset Management for Corporate Facilities and Equipment Policy* as presented in the report dated May 31, 2019, titled "Asset Management for Corporate Facilities and Equipment Policy".

**CARRIED**

**G. REPORTS NOT INCLUDED IN CONSENT AGENDA**

**1.1 Proposed Amendments to the Remuneration Bylaw – Amending Bylaw 1286**

Report dated May 30, 2019 from Chris Plagnol, Corporate Officer, seeking MVRD Board adoption of *Metro Vancouver Regional District Board and Committee Remuneration Amending Bylaw Number 1286, 2019* to implement revisions to the remuneration provisions proposed by the Board Remuneration Independent Review Panel.

**It was MOVED and SECONDED**

That the MVRD Board give first, second and third reading to *Metro Vancouver Regional District Board and Committee Remuneration Amending Bylaw Number 1286, 2019*.

**CARRIED**

**It was MOVED and SECONDED**

That the MVRD Board pass and finally adopt *Metro Vancouver Regional District Board and Committee Remuneration Amending Bylaw Number 1286, 2019*.

**CARRIED**

**H. MOTIONS FOR WHICH NOTICE HAS BEEN GIVEN**

No items presented.

**I. OTHER BUSINESS**

**1. MVRD Board Committee Information Items and Delegation Summaries**

**It was MOVED and SECONDED**

That the MVRD Board receive for information the MVRD Board Committee Information Items and Delegation Summaries, dated June 28, 2019.

**CARRIED**

**J. BUSINESS ARISING FROM DELEGATIONS**

No items presented.

**K. RESOLUTION TO CLOSE MEETING**

**It was MOVED and SECONDED**

That the MVRD Board close its regular meeting scheduled for June 28, 2019 pursuant to the *Community Charter* provisions, Section 90 (1) (g) as follows:

“90 (1) A part of a board meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:  
(g) litigation or potential litigation affecting the regional district.”

**CARRIED**

**L. RISE AND REPORT (Items Released from Closed Meeting)**

No items presented.

**M. ADJOURNMENT/CONCLUSION**

**It was MOVED and SECONDED**

That the MVRD Board adjourn its regular meeting of June 28, 2019.

**CARRIED**

(Time: 1:26 p.m.)

CERTIFIED CORRECT

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Chris Plagnol, Corporate Officer

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Sav Dhaliwal, Chair

To: Metro Vancouver GVRD Board,  
C/O Board and Information Services,  
#4730 Kingsway, Burnaby,  
BC, Canada, V5H 0C6,  
[delegations@metrovanancouver.org](mailto:delegations@metrovanancouver.org)  
[gvrddsec@metrovanancouver.org](mailto:gvrddsec@metrovanancouver.org)  
604-432-6250, 604.432.6284

From: Mr Roderick V. Louis,  
FOI S.22 Personal Info  
White Rock, BC,  
Canada, FOI S.22 Personal Info  
FOI S.22 Personal Info  
FOI S.22 Personal Info

July 23-2019

1-page;

Delegation request subject matters for July 26-2019 MV GVRD Board meeting:  
<http://www.metrovanancouver.org/boards/search/Pages/default.aspx> , Or  
[http://www.metrovanancouver.org/boards/GVRD/RD\\_2019-Jul-26\\_AGE.pdf](http://www.metrovanancouver.org/boards/GVRD/RD_2019-Jul-26_AGE.pdf)

The Item I would like to speak to is:

**3.2 Metro 2050 Engagement Plan report** (pages 50 to 64 of agenda package)

I own property and pay taxes in the City of White Rock, and as such am financially affected by whatever decisions are made regarding long term planning for the region...

As part of my submissions I would like to request that:

- The board passes a Motion at the meeting requiring the MV GVRD Board to adopt the **Metro 2050 Engagement Plan** (as outlined in the report dated June 14-2019, titled "Metro 2050 Engagement Plan") with the following amendments to the report's recommendations (requested amendments in **red**):

*"That the MVRD Board:*

*"a) Adopt the Metro 2050 Engagement Plan as outlined in the report dated June 14, 2019, titled "Metro 2050 Engagement Plan";*

*"b) In alignment with the requirements of Section 434 (3) of the Local Government Act, direct staff to **plan for and facilitate at least 3** Regional Public Hearings as part of the engagement process for Metro 2050; and*

***"c) At least 1 of the 3 Regional Public Hearings' subject matters must be primarily concerning the South of Fraser sub-region;***

***"d) At least 1 of the 3 Regional Public Hearings must be conducted at a South of Fraser location...***

***"e) As per Section 433 (4) of the Local Government Act, notify affected local governments and the Minister of Municipal Affairs and Housing of the initiated update to Metro 2040... "***

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Roderick V. Louis

## DELEGATION EXECUTIVE SUMMARY

**Name or Organization:** Skye Noh, Sustainabiliteens  
**Subject:** 6.1: Aligning Climate 2050 with the IPCC Special Report on Global Warming of 1.5°C  
**Presenting to:** Metro Vancouver Regional Board  
**Date of Meeting:** July 26 2019

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### **Presentation Summary:**

The purpose of this presentation is to urge the board to adopt the recommendations of the Climate Action Committee to align Metro Van's Climate 2050 plan with the IPCC's 2018 report calling for measures to keep global average temperature rise to 1.5 degrees. It is imperative that the Metro Vancouver Regional District increases the current actions being taken across the region in order to better mitigate the threats faced due to this crisis. The current target to reduce greenhouse gas emissions 80% by 2050 is not in alignment with science; according to the October Intergovernmental Panel on Climate Change report, we need net zero emissions by 2050 in order to keep global warming below a catastrophic 1.5 C. Failure to achieve these goals will negatively impact the livelihoods of every Canadian, especially British Columbians. According to Canada's Changing Climate report (CCCR) undertaken by Environment and Climate change Canada, Canada is experiencing warming at twice the rate of the rest of the world.

We as youth are deeply concerned about the impact climate crisis will have on our futures and those of generations to follow. We are asking the board to take the moral and rational action needed.

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To: Electoral Area Committee

From: Marcin Pachcinski, Division Manager, Electoral Area and Environment,  
Regional Planning and Electoral Area Services

Date: June 17, 2019 Meeting Date: July 3, 2019

Subject: ***Electoral Area A Zoning Bylaw Review – Scope of Work and Engagement Process***

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### **RECOMMENDATION**

That the MVRD Board approve the scope of the proposed *Electoral Area A Zoning Bylaw Review* and authorize staff to proceed with the engagement process as presented in the report titled “*Electoral Area A Zoning Bylaw Review – Scope of Work and Engagement Process*”, dated June 17, 2019.

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### **PURPOSE**

This report seeks Board approval of the scope of the *Electoral Area A Zoning Bylaw Review*, and authorization to begin engagement on the *Electoral Area A Zoning Bylaw Review*.

### **BACKGROUND**

The *Electoral Area A Zoning Bylaw* (Reference 1) was adopted in 2012. The MVRD Board adopted the first-ever Official Community Plan (OCP) (Reference 2) for the same portions of the Electoral Area that are covered by the zoning bylaw in July 2018. The OCP contains policies and map designations that are intended to guide land use, including the zoning bylaw, and therefore the zoning bylaw needs to be updated to reflect the OCP. The 2019 Electoral Area Committee Work Plan includes “*Electoral Area A Zoning Bylaw Review and Public Consultation Process – Initiation*” in the second quarter.

This report presents the scope of the *Electoral Area A Zoning Bylaw Review* for approval, along with a proposed engagement process that allows interested parties to provide input on the *Electoral Area A Zoning Bylaw Review*.

### **ZONING BYLAW REVIEW**

The *Electoral Area A Zoning Bylaw* regulates the use, density, and siting of buildings and structures on land within the Electoral Area, excluding the UBC Lands, the University Endowment Lands, Bowyer Island, and Passage Island.

Since its adoption in 2012, the *Electoral Area A Zoning Bylaw* was amended once in 2016 to address lot coverage issues specific to the Strachan Point community, and to make a number of general amendments related to definition and regulation language, siting exemptions, and correcting references to tables within the bylaw.

During the 2016 amendment process, and through ongoing application of the zoning bylaw, staff have identified a number of issues with the zoning bylaw that warrant review, such as language in the definitions section, regulations related to accessory buildings and structures, and general formatting of the zoning bylaw for easier readability, among others.

Also, as previously mentioned, the OCP adopted by the MVRD Board in 2018 contains policies and map designations intended to guide land use, and therefore the zoning bylaw should be updated to reflect the OCP. This review will identify applicable OCP policies and recommend amendments to the current zoning bylaw to align zoning regulations with the policies of the OCP. Additional zoning bylaw-related issues may arise through the engagement process that will also be considered as part of this review and brought back to the Electoral Area Committee and MVRD Board for consideration.

## **ENGAGEMENT PROCESS**

Metro Vancouver is committed to engaging with those that have the potential to be impacted by *Electoral Area A Zoning Bylaw Review*. Engagement will be done in a manner that incorporates feedback into project plans as appropriate. Metro Vancouver will provide a variety of forums, listed below, to learn about interests and concerns related to the *Electoral Area A Zoning Bylaw Review*. This information will inform the *Electoral Area A Zoning Bylaw Review* and be reported back at the end of the process along with staff recommendations. The engagement process outlined below conforms to Metro Vancouver's Public Engagement Board Policy.

### **Scope of the Engagement**

Metro Vancouver will be seeking input on the following aspects of the *Electoral Area A Zoning Bylaw Review*:

- proposed amendments to the zoning bylaw stemming from the OCP, including short-term rental regulations;
- proposed amendments to definition language;
- proposed amendments to regulations related to specific aspects of the zoning bylaw, including, but not limited to, accessory buildings and structures and exceptions to height and siting requirements;
- zoning regulations specific to each community (i.e. Barnston Island, Ocean Point, etc.); and
- other zoning bylaw-related issues that arise through the engagement process.

### **Engagement Audiences**

Staff have identified the groups who may be impacted by, or have an interest in, the *Electoral Area A Zoning Bylaw Review*:

- residents, property owners, and business operators in each community subject to the zoning bylaw;
- provincial and federal ministries and agencies (e.g. BC Ministry of Agriculture, Agricultural Land Commission, Ministry of Transportation and Infrastructure, Transport Canada, Fisheries and Oceans Canada);
- First Nations whose reserve lands are adjacent to lands subject to the zoning bylaw (i.e. Katzie First Nation IR-3 on Barnston Island and IR-4 in the Widgeon area of Pitt Lake; Tsleil-Waututh First Nation IR-4 and IR-4A in Northern Indian Arm area);
- local governments adjacent to lands subject to the zoning bylaw; and
- Port of Vancouver.

## Methods and Timing

In order to engage with the identified groups, the following methods are being proposed as part of the engagement strategy:

Method	Purpose	Timing
Community meetings with residents, property owners, and business operators in the 3 community areas (Howe Sound, Indian Arm/Pitt Lake and Barnston Island).	Provide information and solicit feedback on proposed zoning bylaw amendments from each community area (Howe Sound, Indian Arm/Pitt Lake and Barnston Island).	Summer 2019 (3 meetings) Fall 2019 (3 meetings) Winter 2019 (3 meetings)
Meetings and phone calls with individual or groups of residents in communities (e.g. Strachan Point, Ocean Point, Montizambert Wynd, bays in Indian Arm and Pitt Lake).	Some zoning bylaw regulations apply to individual communities and some issues may be unique to particular areas (e.g. individual bays in Indian Arm or Pitt Lake).	Summer 2019 Fall 2019 Winter 2019
Letter/Email notification and updates.	Provide notification regarding community meetings, opportunities to engage, and deliver updates on what we heard.	Summer 2019 Fall 2019 Winter 2019
Metro Vancouver website.	Provide up to date information about the engagement process and proposed amendments to the zoning bylaw.	Ongoing beginning Summer 2019

## ALTERNATIVES

1. That the MVRD Board approve the scope of the proposed *Electoral Area A Zoning Bylaw Review* and authorize staff to proceed with the engagement process as presented in the report titled “Electoral Area A Zoning Bylaw Review – Engagement Process”, dated June 17, 2019.
2. That the Electoral Area Committee receive for information the report dated June 17, 2019, titled “*Electoral Area A Zoning Bylaw Review – Engagement Process*” and provide alternate direction to staff.



## **FINANCIAL IMPLICATIONS**

If alternative 1 is adopted, the review would be funded within the 2019 budget. The Board-approved 2019 budget for Electoral Area Services includes \$24,000 for costs associated with the *Electoral Area A Zoning Bylaw Review*, including meeting venue rentals, postage, advertising (including the public hearing advertisements) and legal review costs.

## **SUMMARY / CONCLUSION**

This report seeks approval of the scope of the *Electoral Area A Zoning Bylaw Review* and authorization to begin engagement on the *Electoral Area A Zoning Bylaw Review*. With the adoption of the first-ever Official Community Plan for the portions of the Electoral Area covered by the *Electoral Area A Zoning Bylaw* in July 2018, the 2019 Electoral Area Committee Work Plan included a review of the zoning bylaw as a second quarter work item. In addition to the OCP-related issues, the zoning bylaw will be reviewed to incorporate improvements to language and formatting identified by staff, and other issues identified through the engagement process. Meetings with residents, property owners, and business operators in Howe Sound, Indian Arm/Pitt Lake and Barnston Island in the summer, fall and winter 2019 are the principle engagement methods proposed for this review. Staff recommend Alternative 1.

## **References**

1. [\*Electoral Area A Zoning Bylaw\*](#)
2. [\*MVRD Electoral Area A Official Community Plan\*](#)

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To: Electoral Area Committee

From: Tom Pearce, Planner, Regional Planning and Electoral Area Services

Date: June 14, 2019 Meeting Date: July 3, 2019

Subject: **Barnston Island Agricultural Viability Study – Action Plan**

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### **RECOMMENDATION**

That the MVRD Board endorse the actions as presented in the report dated June 14, 2019, titled “Barnston Island Agricultural Viability Study – Action Plan” in response to the recommendations in the Barnston Island Agricultural Viability Study.

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### **PURPOSE**

The purpose of this report is to present proposed actions related to the recommendations contained in the Barnston Island Agricultural Viability Study for the Electoral Area Committee and MVRD Board’s consideration.

### **BACKGROUND**

In July 2018, the MVRD Board adopted the Electoral Area A Official Community Plan (OCP) for portions of the Electoral Area where the MVRD is responsible for local land use planning, including Barnston Island. Conducting a study to explore ways to improve the long-term viability of agriculture on the island was an action item identified through the development of the OCP.

The Barnston Island Agricultural Viability Study (Reference 1) was completed and presented to the Electoral Area Committee in January 2019. At the February 22, 2019 MVRD Board meeting, the Board passed the following resolutions:

*That the MVRD Board:*

- a) receive for information the “Barnston Island Agricultural Viability Study”;*
- b) forward a copy of the “Barnston Island Agricultural Viability Study” to the Ministry of Transportation and Infrastructure, Ministry of Agriculture, and the Agricultural Land Commission; and*
- c) direct staff to report back with an action plan considering the recommendations contained in the “Barnston Island Agricultural Viability Study”.*

This report responds to resolution c).

### **BARNSTON ISLAND**

Barnston Island is located in the Fraser River between Surrey and Pitt Meadows, within Metro Vancouver Electoral Area A, and is home to Katzie First Nation Reserve No. 3. Barnston Island is within the traditional territory of the Katzie First Nation and was settled by Europeans in the mid 1800’s. The island is accessed through the Barnston Island Ferry which connects the island from Surrey (on 104 Avenue) across Parsons Channel and is an approximately five-minute crossing. Metro Vancouver

owns Barnston Island Regional Park with park amenities at Robert Point Rest Area on the western tip of the island, and undeveloped Mann Point on the eastern end.

The Ministry of Transportation and Infrastructure has jurisdiction for the ferry service (tug and barge), as well as the public roads on the Island (unlike municipalities). Metro Vancouver is responsible for local land use planning and building inspections (except on the Katzie reserve).

Nearly 99% (618 ha) of Barnston Island is located within the provincial Agricultural Land Reserve (ALR). Metro Vancouver has zoned the island 'Agricultural B-1' with park uses permitted at the regional park sites and protected areas. The first zoning bylaw for the Island came into effect in 2005, with minimum lot sizes of 20 hectares. There are a number of lots which pre-date this first zoning bylaw and are considered legal non-conforming. Agriculture has been a prominent land use on Barnston Island for over a century. Agricultural operations on Barnston Island today are primarily hay, cranberries and pastures for the beef and dairy farms. Forage crops are very productive, with as many as four crops of hay per year. There is a culinary herb farm operating on the island, a small-scale chicken operation with farm-gate egg sales and several small mixed hobby farms with sheep, goats and horses.

The Agricultural Land Use Inventory (ALUI) completed for Barnston Island by the BC Ministry of Agriculture in 2010 found that more than half (57%) of the island is currently used for farming, 17% of the island is not available for farming and more than a quarter (26%) is available for farming activities but is not currently being used.

Barnston Island has a diking system that encircles the entire island for protection against floodwaters. There is a 10 km paved road that sits on top of the dike and another road that stretches across the island, which is paved in most sections. Residents of Barnston Island must leave the island for basic goods and services as there are no commercial or health services on the island.

In 2006, there was a major application for exclusion of Barnston Island from the ALR made by developers with support from some island landowners to the Agricultural Land Commission. The application was refused.

### **Barnston Island Agricultural Viability Study**

The Barnston Island Agricultural Viability Study (Reference 1) provides a comprehensive review of the agricultural context for Barnston Island including its history, land tenure, viability and access. The study's work included an analysis of the opportunities and challenges facing farmers on the island; investigating the economic opportunities of potential agricultural uses, consultation with MV's Agricultural Advisory Committee (AAC) on the development of recommendations for MV; presentation of the draft plan to the community and involved stakeholders; and compilation of a final report for MV and presentation to the Electoral Area Committee. Key themes identified: drainage, diking, irrigation, drinking water, soils, agricultural capability, climate, and climate change.

The study outlines several opportunities for agriculture on Barnston Island through a Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis, summarized in the report as follows:

*The SWOT analysis indicates that Barnston Island has great growing conditions for a wide variety of crops, including access to irrigation water. Farmland is relatively affordable as compared to other land in the region. However, poor drainage conditions hamper the suitability of some agricultural activities, and infrastructure upgrades would be required to reach optimal growing conditions. Challenges include attracting new and emerging farmers to stimulate production on underutilized farmland. This is related in part to limitations involved in access to the island as well as changes in land tenure which have resulted in more non-farmers owning land on Barnston Island and a lack of long term leases (e.g. more than 10 years) being made available.*

### **Barnston Island Agricultural Viability Study Recommendations**

The study identifies eight recommendations that Metro Vancouver can consider to improve agricultural viability on Barnston Island:

1. Continue to work with the Province towards improved ferry service and road safety.
2. Continue to support Katzie First Nation endeavours.
3. Consider conducting a drainage study for the Island (for Agriculture).
4. Increase efforts around compliance and enforcement of derelict residences.
5. Consider working with the community on an Agri-Tourism Strategy.
6. Investigate ways to increase long-term land tenure to support farming.
7. Promote Metro Vancouver agricultural policies and regulations.
8. Erect agricultural signage.

Each study recommendation is listed below, with a summary analysis of impacts, expected outcomes, and resource requirements, as appropriate. For each one, a proposed action is listed for consideration by the Electoral Area Committee and MVRD Board.

#### **1. Continue to work with the Province towards improved ferry service and road safety**

Metro Vancouver has had an advocacy and collaborative role with respect to ferry service to and from Barnston Island for many years. The ferry is a critical linkage for Islanders in general, and for farmers and farm workers specific to agricultural viability. Over the last 20 years, Metro Vancouver has sent letters seeking ferry service improvements to the Ministry of Transportation and Infrastructure requesting longer services hours, a larger barge to enable 50 ton trucks, drive on drive off service, and ramp improvements.

Road safety improvements through the Ministry of Transportation and infrastructure could include the intersection at 104 Avenue and Golden Ears connector, increased number of pull offs from the dike road to reduce farm equipment conflicts with pedestrians and bikers; and a review public signage and messages for recreationists for both in and outside of the park sites in order to have a more integrated signage system and prevent parking on the inside curve of the dike.

This consultant recommendation calls on Metro Vancouver to continue to work with the Province to advocate for improvements to the ferry service and for better road safety to support agricultural viability. This recommendation reflects current staff efforts in this area and can be achieved with existing resources. Staff regularly work with Ministry of Transportation and Infrastructure on issues

of mutual concern, such as the Barnston ferry, the intersection at 104 Avenue and Golden Ears connector, Dyke Road maintenance and unauthorized dumping.

As per the February 2019 Board recommendation note above, Metro Vancouver forwarded a copy of the Barnston Island Agriculture Viability Study, highlighting the specific recommendations related to improved ferry service to the Ministry of Transportation and Infrastructure.

**Proposed Action**

That Metro Vancouver continue dialogue with the Ministry of Transportation and Infrastructure to improve the access to the Island, and follow up on the recommendations as laid out in the Barnston Island Agriculture Viability Study.

**2. Continue to support Katzie First Nation endeavours**

This recommendation highlights opportunities to work more closely with the Katzie First Nation on Katzie-led initiatives that support biodiversity, traditional food harvesting, and foraging. Previous collaboration between Metro Vancouver staff and the Katzie First Nation on Barnston island has included OCP consultation meetings, joint emergency planning and response. The recommendation mentions an Island-wide drainage study (described in recommendation 3 below) or an on-reserve community garden. Future opportunities for exploration include native plant harvesting and demonstration garden and further emergency planning and preparedness activities.

**Proposed Action**

That Metro Vancouver continue to collaborate and share information with the Katzie First Nation and consult with the Nation when developing and implementing local land use plans.

**3. Consider conducting an Agricultural Drainage Study for the Island**

The study proposes an agricultural drainage study for Barnston Island to more fully and accurately assess the status of surface and subsurface drainage on the island with an aim of improving agricultural soil capability. Much of Barnston Island is poorly drained and drainage patterns have been altered by residents over the years through fill and ditch alterations. Drainage dynamics on the Island are not well understood, and there is no study to rely on when considering land alterations that may impact drainage.

**Proposed Action**

That Metro Vancouver opt not to develop a drainage study at this time given Metro Vancouver does not have a local government drainage function for Barnston Island (or any other part of Electoral Area A).

**4. Increase efforts around compliance and enforcement of derelict residences**

Some of the buildings on the island present varying levels of concern, and their state of abandon helps to proliferate noxious weeds, and invasive species, among other unwanted uses of the abandoned sites. Clearing derelict residences and invasive species that overgrow them would increase the potential to use those sites for agriculture. If the residences were renovated and

maintained, they would provide potential housing for farmers and farm workers, thereby supporting agriculture on the island.

Following up on this recommendation would necessitate Metro Vancouver playing a more active role in the monitoring of derelict residences on the island (not including those on Katzie First Nation Reserve lands) and taking more action in enforcing *GVRD Electoral Area “A” Unsightly Premises Bylaw No. 1198, 2014*. Bylaw compliance and enforcement requires a significant amount of staff time and can include legal and administrative support costs. In October 2018, the MVRD Board adopted the *Electoral Area A Bylaw Enforcement Policy* (Reference 2). The purpose of this new policy, which applies to unsightly premises and nuisances, is to guide Metro Vancouver’s efforts in undertaking bylaw enforcement investigations and to define under what circumstances investigations should commence. Staff working directly with owners to find solutions can often be the most cost effective approach to compliance and enforcement.

**Proposed Action**

That Metro Vancouver continue to follow the recently adopted *Electoral Area A Bylaw Enforcement Policy* (Reference 2) to guide enforcement efforts related to derelict residences on Barnston Island.

**5. Consider working with the community on an Agri-Tourism Strategy**

The consultant recommended the development of a Agri-Tourism Strategy for Barnston Island to increase support the development of value added products and increase farm gate sales. Direct sales farmer-to-consumer have been successful in other communities. During the community open houses on Barnston the idea of an Agri-Tourism Strategy and Agri-Tourism was discussed in general. Not all current residents are fully supportive of the potential to ‘open up’ Barnston Island to increased agri-tourism-based activities. This is in part due to concerns about lack of parking for visitors, lack of public washrooms and garbage facilities, increased wait times at the ferry, and increased potential for trespass. While an Agri-Tourism Strategy may make sense for certain businesses, it is not supported by all. Several farm managers have existing marketing avenues and some island residents are reluctant to encourage an increase the amount of visitors and traffic visiting the Island given current infrastructure constraints.

**Proposed Action**

That Metro Vancouver explore potential amendments to the Electoral Area A Zoning Bylaw in consultation with Barnston Island residents and the Electoral Area Committee to support Agri-tourism, as part of the upcoming zoning bylaw review process, and opt not to develop an Agri-Tourism Strategy for Barnston Island at this time.

**6. Investigate ways to increase long-term land tenure to support farming**

The viability and suitability of certain agricultural activities is reduced when farmland is only available in short term leases (1 – 5 years). The ability for a farmer to lease land for a long tenure period is important in that tenure security makes investing in the farm in terms of infrastructure (drainage, irrigation, fencing) and equipment less risky and more appealing, and also provides the farmer with leverage when attempting to access financing through a lending institution. This need for tenure

security is especially important for crops that may take several years to mature, or for livestock-based agriculture. Farmers with long term leases know that resources spent on infrastructure will pay dividends over time; therefore, having sufficient tenure on a piece of land to enable return on investment is important for financial viability.

Currently, more than half of Barnston Island is owned by a non-farming landowner who does not reside on the Island. This land is mainly being leased out at terms of 5 years or less. This is a change from previous tenures whereby most of the island was owned by farmers or was made available to farmers for long term agricultural leases (i.e. longer than 10 years).

**Proposed Action**

As Metro Vancouver undertakes policy research related to land-tenure and farming as part of its Regional Planning function, that Metro Vancouver explore ways that this information could be applied to Barnston Island and bring back potential initiatives for Electoral Area Committee and Board consideration as appropriate.

**7. Promote Metro Vancouver agricultural policies and regulations**

The policy framework that sets the stage for supporting agriculture on Barnston Island is situated in the *Local Government Act*, *Metro Vancouver 2040: Shaping our Future* (Metro 2040), the regional growth strategy, the Electoral Area A Official Community Plan (OCP) and the Barnston Island Zoning Bylaw. These documents are critical to the way in which local governments can support local food production and increase farm viability.

Both Metro 2040 and the OCP provide long-term visions and strategies for future land use, development, and servicing, among other areas regulated by the *Local Government Act*. The zoning bylaw regulates and permits uses within these land uses, or zones, representing current land use. Both the OCP and the zoning bylaw are described in greater detail below.

The consultant noted that new farmers and emerging farm operators may be unaware of the resources available through Metro Vancouver, and may have difficulty navigating the myriad of policies and regulations.

**Proposed Action**

That Metro Vancouver continue to promote agricultural policies and regulation through existing communication channels (e.g. through resident inquiries, Electoral Area A bi-annual bulletins, and the Metro Vancouver website).

**8. Erect agricultural signage**

The consultant report notes that many visitors to Barnston Island are unaware of the island's geography, the farming community and the lack of public amenities available. The Agricultural Viability Study identifies opportunities to inform and support the farming agriculture community through improved signage on the Island.

For example, signs could include additional maps, emergency contact numbers, local farm locations (if desired), locations of washrooms facilities, approximate travel times and distances, bylaw enforcement contacts, park information, public education for new visitors, history of the Island, points of interest, and Katzie First Nation IR boundary. Signs could be developed to discourage trespass and indicate other areas where the public is discouraged from accessing (e.g. Katzie First Nation Reserve lands). The viability study suggests that consideration be given to erecting signs along the road to the ferry terminal in Surrey regarding information on Barnston Island agriculture.

**Proposed Action**

That Metro Vancouver advance the development of agriculture supportive signage, including local community and Katzie First Nation involvement in reviewing messaging.

**ALTERNATIVES**

1. That the MVRD Board endorse the actions as presented in the report dated June 14, 2019, titled “Barnston Island Agricultural Viability Study – Action Plan” in response to the recommendations in the Barnston Island Agricultural Viability Study”.
2. That the MVRD Board endorse the actions as amended in the report dated June 14, 2019, titled “Barnston Island Agricultural Viability Study – Action Plan” in response to the recommendations in the Barnston Island Agricultural Viability Study”.
3. That the Electoral Area Committee receive for information the report, dated June 14, 2019, titled “Barnston Island Agricultural Viability Study – Action Plan” and provide alternate direction to staff.

**FINANCIAL IMPLICATIONS**

If the Board chooses Alternative 1, the supported recommendations will be undertaken through the regular workplan, and if there are costs and additional resources required, these will be considered as part of the 2020 budget and five-year financial planning process.

**SUMMARY / CONCLUSION**

In February 2019, the MVRD Board directed staff to report back on an action plan for the eight recommendations contained in the Barnston Island Agricultural Viability Study. The intent of the recommendations and proposed follow up actions is to improve and enhance the viability of farming on Barnston Island. This report provides summary analysis and proposed actions for each of the eight recommendations. The proposed actions responding to each of the study’s recommendations are provided below:

1. That Metro Vancouver continue dialogue with the Ministry of Transportation and Infrastructure to improve the access to the Island, and follow up on the recommendations as laid out in the Barnston Island Agriculture Viability Study.
2. That Metro Vancouver continue to collaborate and share information with the Katzie First Nation and consult with the Nation when developing and implementing local land use plans.



3. That Metro Vancouver opt not to develop a drainage study at this time given Metro Vancouver does not have a local government drainage function for Barnston Island (or any other part of Electoral Area A).
4. That Metro Vancouver continue to follow the recently adopted *Electoral Area A Bylaw Enforcement Policy* (Reference 2) to guide enforcement efforts related to derelict residences on Barnston Island.
5. That Metro Vancouver explore potential amendments to the Electoral Area A Zoning Bylaw in consultation with Barnston Island residents and the Electoral Area Committee to support Agri-tourism, as part of the upcoming zoning bylaw review process, and opt not to develop an Agri-Tourism Strategy for Barnston Island at this time.
6. As Metro Vancouver undertakes policy research related to land-tenure and farming as part of its Regional Planning function, that Metro Vancouver explore ways that this information could be applied to Barnston Island and bring back potential initiatives for Electoral Area Committee and Board consideration as appropriate.
7. That Metro Vancouver continue to promote agricultural policies and regulation through existing communication channels (e.g. through resident inquiries, Electoral Area A bi-annual bulletins, and the Metro Vancouver website).
8. That Metro Vancouver advance the development of agriculture supportive signage, including local community and Katzie First Nation involvement in reviewing messaging.

Several of the actions can be completed with existing resources; however, some actions have cost and resource implications and will be addressed through the 5-year financial plan and 2020 budget process. Staff recommend Alternative 1.

#### **References**

1. [The Barnston Island Agricultural Viability Study](#)
2. [Electoral Area A Bylaw Enforcement Policy](#)

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To: Performance and Audit Committee

From: Dean Rear, Director, Financial Planning & Operations

Date: June 25, 2019

Meeting Date: July 4, 2019

Subject: **Appointment of External Auditors**

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### **RECOMMENDATION**

That the MVRD, GVS&DD, GVWD and MVHC Boards appoint BDO Canada LLP as external auditors for the fiscal years 2019 to 2023.

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### **PURPOSE**

This report is to advise the Board(s) of the results of Request for Proposal (RFP) No. 19-096: External Audit Services and to recommend the appointment of the highest ranked proponent, BDO Canada LLP.

### **BACKGROUND**

Legislation requires that Metro Vancouver's financial statements be audited annually by an external audit firm appointed by the Boards of the respective entities. The contract with our incumbent external auditors, BDO Canada LLP, expired with the completion of the financial statement audit for the 2018 fiscal year. In May, a process to award a new five-year contract for external audit services was commenced.

### **REQUEST FOR PROPOSAL PROCESS**

As a result of Request for Proposal (RFP) No. 19-096 for External Audit Services for 2019 to 2023 that was publically advertised on Metro Vancouver's and BC Bid websites, three (3) firms responded prior to the closing date on May 31, 2019.

The evaluation criteria stipulated in the RFP were 1) Qualifications and Experience of both the audit firm and the proposed audit team, 2) Audit Methodology and 3) Financial. A panel of three staff in the Financial Services Department evaluated the RFP proposals and scored each based on the above criteria, the results of which are shown below:

<b>Proponent</b>	<b>Total Proposed Fees over Five Years (Exclusive of taxes)</b>
<b>BDO Canada LLP</b>	\$617,465.00
<b>PricewaterhouseCoopers LLP</b>	\$593,626.00
<b>KPMG LLP</b>	\$627,385.00

The top ranked proponent, BDO Canada LLP, is very experienced in public sector audit engagements, which requires specialized knowledge, is currently the external auditor for 9 of our member municipalities and has been the external auditor for Metro Vancouver for the past five fiscal years.

The differentiating factor between the three firms was primarily in experience of the proposed audit team and in conducting audits of similar size and complexity within the BC local government sector. The panel feels that BDO's experience and approach will provide Metro Vancouver with best value and a more efficient audit which will reduce the effort required by Metro Vancouver's staff.

As is allowed for under the terms of the RFP and following the proposal evaluation, a meeting was held with the highest ranked proponent, BDO Canada LLP to confirm the scope of work and allocation of resources. Through this negotiation with the proponent, the evaluation team was able to identify reduction in annual hours which resulted in a cost reduction of \$25,000.00 (exclusive of taxes) over the five (5) year term. The recommended award value for the five (5) year term is \$592,465.00 (exclusive of taxes).

#### **ALTERNATIVES**

1. That the MVRD, GVS&DD, GVWD and MVHC Boards appoint BDO Canada LLP as external auditors for the fiscal years 2019 to 2023.
2. That the Performance and Audit Committee receive the report titled "Appointment of External Auditors" dated June 25, 2019 and provide alternate direction.

#### **FINANCIAL IMPLICATIONS**

Should the respective Boards choose Alternative 1, a contract will be awarded to BDO Canada LLP., for an amount of up to \$592,465.00 (exclusive of taxes) for External Audit Services. This amount includes a one-time estimated fee to ensure the organization is compliant with new PSAS requirement for Asset Retirement Obligations of \$21,665. For comparison, total fixed price fees over the past five years of the prior contract for external audit services were \$529,390.00.

#### **SUMMARY / CONCLUSION**

Metro Vancouver is required to have an audit of its financial statements performed by an external audit firm appointed by the Boards of the respective entities. Request for Proposal (RFP) No. 19-096 for External Audit Services for 2019 to 2023 was advertised on Metro Vancouver's and BC Bid websites. The highest ranked proponent, BDO Canada LLP, is very experienced in public sector audit engagements, which requires specialized knowledge, is currently the external auditor of record for 9 of our member municipalities and has been the external auditor for Metro Vancouver for the past five fiscal years. The fixed fee cost for external audit services provided by BDO Canada LLP over the five-year contract period will be \$592,465.00 (exclusive of taxes).

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To: Metro Vancouver Regional District Board

From: Erin Rennie, Senior Planner, Regional Planning

Date: June 11, 2019 Meeting Date: July 5, 2019

Subject: ***Where Matters: Health and Economic Impacts of Where We Live Final Report***

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### **RECOMMENDATION**

That the MVRD Board:

- a) receive for information the report dated June 11, 2019, titled “*Where Matters: Health and Economic Impacts of Where We Live Final Report*”; and
  - b) forward the “*Where Matters: Health and Economic Impacts of Where We Live Final Report*” and its attachment to member jurisdiction Mayors and Councils for information.
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### **PURPOSE**

To report out to the Regional Planning Committee and MVRD Board on the results of the *Where Matters: Health and Economic Impacts of Where We Live* study and to convey the associated Policy Brief (Attachment).

### **BACKGROUND**

Since 2016, Metro Vancouver has been part of a research partnership led by Dr. Larry Frank at UBC’s Health and Community Design Lab (School of Population and Public Health) to study and quantify the health and economic benefits of walkable communities and access to parks. At its September 7, 2019 meeting, the Regional Planning Committee received an interim report on the research findings titled, “Walkability Surface and Health and Economic Benefits Study Update” (Reference 1). The study (referred to in this report as the “*Where Matters Study*”) is complete and the findings are presented in this report.

### **THE WHERE MATTERS STUDY**

The promotion of public health is a fundamental objective of community and regional planning. Underpinning many of the strategies and actions in *Metro 2040* is a commitment to promoting the health and well-being of the population by:

- focusing growth in Urban Centres and Frequent Transit Development Areas (Strategy 1.2);
- developing healthy and complete communities with access to a range of services and amenities (Strategy 4.2); and
- coordinating land use and transportation to encourage transit, multiple-occupancy vehicles, cycling, and walking (Strategy 5.1).

While there is a general recognition of the association between walkability and park access and better health outcomes, prior to the *Where Matters Study* the extent of that relationship had not yet been quantified in this region. Metro Vancouver’s interest in participating in this study was to better understand the relationship between health outcomes and built environment factors that local

governments manage through their local and regional policies and plans. A further benefit of this study was the ability to quantify the economic benefits of investing in walkability and park access through the calculation of avoided health care costs. Findings of the *Where Matters Study* were intended to inform the Urban Centre and Frequent Transit Development Area (FTDA) Policy Review and the update to *Metro 2040*.

The three aims of the *Where Matters Study* were to:

1. examine how built environment features are related to physical activity behaviours, body mass index, and chronic disease;
2. investigate whether the relationships between the built environment and chronic disease differ by individual age and income; and
3. evaluate whether built environment features are inversely related to healthcare utilization and costs.

### **Study Partnership**

The *Where Matters Study* was funded through a partnership between Metro Vancouver, TransLink, Vancouver Coastal Health, the City of Vancouver, the Real Estate Foundation of BC, and UBC's Health and Community Design Lab. Fraser Health was also involved as a key partner in the creation of the My Health My Community data used for the study. This inter-agency partnership reflects the fact that in Canada many agencies and levels of government share overlapping responsibility for policy issues related to 'health and the built environment'. Bringing together representatives from these different agencies allowed for greater perspective on the extent and depth of the issues and policy frameworks.

### **Determinants of Health**

Many factors have an influence on health outcomes including genetics, lifestyle, age, background and other personal, social, environmental, and economic factors. The Government of Canada has identified the following as the main determinants of health: income and social status, employment and working conditions, education and literacy, physical environments, social supports and coping skills, healthy behaviours, access to health services, biology and genetic endowment, gender, and culture. The "social determinants of health" refer to a specific group of social and economic factors within the broader determinants of health such as an individual's place in society, income, education, and experiences of discrimination. Health equity is the absence of unfair systems and policies (including those related to the social determinants of health) that cause health inequalities. Health equity seeks to reduce inequalities and to increase access to opportunities and conditions conducive to health for all.

The *Where Matters Study* looks at multiple health-related impacts of two of the determinants of health – built and natural environment as well as their collective influence on healthy behaviours. Other determinants of health also impact health outcomes and the cost of health care. To more fully understand the impact of physical environments, this study stratifies outcomes by age and income.

## **Methodology**

This study included three main tasks: linking the datasets to determine health outcomes, stratifying by age and income, and calculating the cost of illness.

*Task 1:* The *Where Matters Study* linked a Built Environment Database (2011 Walkability Index + Regional Accessibility + Park Access) to two health outcomes data sets (the My Health My Community Survey Results, and the BC Generations Survey). In this way the built environment factors for every postal code (2011 Walkability Index + Regional Accessibility + Park Access) were connected to the health outcomes for the people living in that postal code (My Health My Community + BC Generations) to allow the researchers to draw conclusions about how the built environment contributes to different rates of various health outcomes. The six health outcomes studied were: physical activity, obesity, diabetes, heart disease, stress, and sense of community. The Built Environment Database was then grouped into five Place Type groupings ranging from least to most walkable and from the lowest to highest level of park access. This was done to facilitate the analysis and subsequent ability to convey study results.

*Task 2:* The health outcome results were then stratified by age and income. This helped to identify patterns that were consistent across all age or income groups as well as instances where the relationship between the built environment and health are contingent on demographic factors like age or income.

*Task 3:* Finally, a “Cost of Illness” methodology was applied to the results for diabetes, hypertension, and heart disease. This methodology involves multiplying the annual direct health care cost of chronic diseases by the prevalence in a population. This is a first and partial step in estimating health care cost relationships with the built and natural environment. Foremost, it does not include “indirect costs” such as workforce productivity and absenteeism. This along with other indirect costs are expected to have an even larger economic impact.

The study design included linking reported health outcomes from the BC Generations Database of 14,000 participants in the lower mainland with participants’ BC Medical Services Plan (MSP) costs. It was one of the first efforts to attempt to directly assess built and natural environment relationships with actual health care costs. Unfortunately, MSP does not include extended medical plan expenses (i.e. for mental health care, pharmaceutical costs etc.) and was therefore determined to be insufficient for an accurate calculation of economic impacts. A well-known and commonly used “cost of illness” method was used instead to estimate direct health care costs related to chronic diseases in different physical environments.

## **COMPONENTS OF THE BUILT ENVIRONMENT DATABASE**

The Built Environment Database combined the 2011 Walkability Index with park accessibility and Regional Accessibility.

### **2011 Walkability Index**

Walkability is a measure of the physical characteristics of the urban environment at the local or neighbourhood level that support walking. Four input variables are combined to create the 2011 Walkability Index. These input variables have been shown through numerous peer-reviewed studies

to predict walking, physical activity, and obesity. These variables were measured within a 1 kilometre road network distance from the centre of each postal code in the lower mainland and include:

1. Net Residential Density – the ratio of dwellings to residential land area
2. Commercial Floor Area Ratio – the ratio between the total commercial floor area of a building to the land area the property is built on
3. Land Use Mix – the balance or “evenness of mix” between building floor areas of six generalized land uses; and
4. Intersection Density – the concentration of intersections (network connectivity).

### **Park Access**

Park Access is a measure of the number of public parks that can be publicly accessed. The more parks within walking distance, the greater the neighbourhood’s park access score. One limitation of this measure is it does not consider the size or quality of the park.

### **Regional Accessibility**

Regional Accessibility is a measure of ease of travel to major regional locations. This was defined as the number of major regional centres that can be reached by a 45-minute transit ride during the AM peak (weekday) period. This measure reflects the fact that overall trip distance also influences transportation mode choice in addition to the quality of the built environment.

### **Place Types**

Once the Built Environment Database was developed and each postal area was scored, the postal areas were grouped into quintiles (five groups of roughly equal number of counts) which for the purposes of this study have been renamed “Place Types”. The Place Type groups were then refined so that the median residential density for each group was, respectively, 5, 10, 15, 25, and 60 dwelling units/acre (Table 1).

Table 1: Place Types and associated median residential density

<b>Quintile</b>	<b>Place Type Name</b>	<b>Median Residential Density</b>
Quintile 1	Car Dependent	5 dwelling units/acre
Quintile 2	Somewhat Car Dependent	10 dwelling units/acre
Quintile 3	Somewhat Walkable	15 dwelling units/acre
Quintile 4	Moderately Walkable	25 dwelling units/acre
Quintile 5	Walkable	60 dwelling units/acre

The purpose of the Place Type groupings was to allow for the analysis of the health and economic outcomes. It allowed researchers to draw general conclusions about the health outcomes of different types of neighbourhoods.

The Built Environment Database was also divided into five Park Quintiles. These were not labeled with a “Place Type” name. Park Quintile 1 were the neighbourhoods with the fewest parks within walking distance (0-1), while Park Quintile 5 were the neighbourhoods with the most parks within walking distance (6 or more).

## **FINDINGS – WALKABILITY**

### **Health Benefits of Walkability**

The results of the study show that higher levels of walkability are associated with higher rates of walking for transportation and higher rates of residents achieving the recommended amount of moderate to vigorous physical activity per week (150 minutes per week). Those living in the most walkable areas (Quintile 5) were 45% more likely to walk for transportation and 16% more likely to achieve the recommended amount of physical activity per week than those living in the least walkable neighbourhoods (Quintile 1). This finding was especially high for the lowest income earners (less than \$60,000 per year) who were 51% more likely to achieve recommended amounts of physical activity if they lived in a Quintile 5 neighbourhood as opposed to a Quintile 1 neighbourhood.

Compared to those in the least walkable neighbourhoods (Quintile 1), residents in the most walkable neighbourhoods (Quintile 5) were also:

- 39% less likely to have diabetes<sup>1</sup>;
- 28% less likely to have hypertension; and
- 23% less likely to suffer from stress.

Furthermore, those living in the most walkable neighbourhoods were 46% more likely to have a strong sense of community belonging as compared to those living in the least walkable places. This last finding was even higher for the eldest age cohort (those over the age of 60) who were 91% more likely of having a strong sense of community than those over 60 living in the least walkable places.

### **Economic Benefits of Walkability**

A cost of illness method was used to estimate the total annual direct cost<sup>2</sup> related to diabetes, hypertension, and heart disease for each of the walkability quintiles. All other things being equal, the findings show that more walkable neighbourhoods could be associated with lower direct health care costs related to chronic disease. Compared to a car-dependent neighbourhood (Q1), the estimated direct health care costs in a walkable neighbourhood (Q5) could be:

- 52% less for diabetes;
- 47% less for hypertension; and
- 31% less for heart disease.

## **FINDINGS – PARK ACCESS**

### **Health Benefits of Park Access**

The results of the study consistently show that higher levels of park access is associated with higher rates of walking for leisure and higher likelihood of achieving the recommended weekly levels of moderate to vigorous physical activity (150 minutes per week). Residents living in the neighbourhoods with the greatest park access (Park Quintile 5) were 20% more likely to walk for

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<sup>1</sup> No differentiation between type 1, type 2, and gestational diabetes was made. It has been estimated that 90% of diabetes cases among Canadian adults are type 2.

<sup>2</sup> Direct costs include: Drugs, Day Surgery, Inpatient Hospital Care, Ambulatory Care, Outpatient Clinic Hospital Care, Outpatient Emergency Hospital Care, Physician Care, and Other Hospital Care



recreation and 33% more likely to meet the recommended weekly physical activity rates as compared to the neighbourhoods with the lowest park access (Park Quintile 1). The impact of park access on physical activity was especially high for lower income earners (annual incomes below \$60,000) who were 54% more likely to meet physical activity rates when living close to many parks (Park Quintile 5) as compared to low income earners living close to few parks (Park Quintile 1). Compared to those with the least access to parks (Park Quintile 1), residents with the most access to parks (Park Quintile 5) were also:

- 53% less likely to have diabetes;
- 35% less likely to have high blood pressure;
- 39% less likely to have heart disease;
- 19% less likely to suffer from stress; and
- 22% more likely to have a strong sense of community and belonging.

### **Economic Benefits of Park Access**

A cost of illness method was used to estimate the total annual direct cost<sup>3</sup> related to diabetes, hypertension, and heart disease for each of the park count quintiles. All other things being equal, the findings show that neighbourhoods with more parks could be associated with lower direct health care costs related to chronic disease. Compared to neighbourhoods with 0-1 parks (Park Quintile 1), the estimated direct health care costs in a neighbourhood with 6 or more parks (Park Quintile 5) could be:

- 75% less for diabetes;
- 69% less for hypertension; and
- 69% less for heart disease.

### **Future Research**

The *Where Matters Study* did not account for air pollution impacts that are spatially related with built and natural environment features; nor did it address health impacts of the pedestrian environment including seating, lighting, crossing characteristics, and eyes on the street. A subsequent set of analyses may address these limitations and more directly assess health and related costs and benefits of transit investment and also evaluate impacts of housing displacement.

### **POLICY IMPLICATIONS**

The *Where Matters Study* demonstrates clear benefits of investing in improved walkability and greater park access, both in terms of public health benefits and cost savings. This confirms that improved health and economic savings are substantial co-benefits of many of *Metro 2040's* long-term strategies including directing growth to compact centres and corridors with good transit access and developing complete communities.

The *Where Matters Study* partnership was developed, in part, to support the *Metro 2040* Urban Centre and FTDA Policy Review, in recognition that while the current growth framework has been

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<sup>3</sup> Direct costs include: Drugs, Day Surgery, Inpatient Hospital Care, Ambulatory Care, Outpatient Clinic Hospital Care, Outpatient Emergency Hospital Care, Physician Care, and Other Hospital Care

highly effective in focusing growth into walkable centres and corridors, there are opportunities to further integrate health into *Metro 2040*'s policies. Some of the potential policy implications from this study include the following:

- Urban Centres and FTDA policies are supporting walkability. The 2011 Walkability Index map has a high level of overlap with the *Metro 2040* Urban Centre and FTDA growth overlays. This demonstrates that municipalities are implementing the regional vision in *Metro 2040* and successfully building compact, walkable places within their Urban Centre and FTDA boundaries.
- The connection between walkability and improved health outcomes demonstrates that local governments have a role to play in supporting health and wellness. Communities can support better health outcomes by building compact residential areas, increasing intersection density, supporting compact commercial development, building mixed-use neighbourhoods, and improving access to parks.
- Focusing growth in areas that are already walkable and with good park access could mean improved health for more residents and workers and a reduced health care cost burden overall. In this way, focusing growth in walkable places supports health equity because it can provide access to healthy places to a greater proportion of the overall population.
- Housing affordability in many of the region's highly walkable neighbourhoods and neighbourhoods with good park access is a growing concern.
- Additional regional policies are required to support inclusivity of all income groups in existing and emerging walkable neighbourhoods. This includes policies that increase the supply of affordable rental and family-friendly housing in walkable centres and corridors. Failing to do so is likely to result in a widening inequities in health outcomes across income groups.
- Similarly, additional regional policies to support income inclusive housing policies in neighbourhoods with high park access may promote health equity across the region.
- Some municipalities with Urban Centres and FTDA's are still working towards implementing the regional vision of walkable centres and corridors close to transit. Additional regional policy guidance, knowledge sharing, and updating *Metro 2040* policies to include more specific criteria and targets for growth in Urban Centres and FTDA's may further support implementation.
- Sprawling and car-dependent development patterns within the Urban Containment Boundary but outside of Urban Centres and FTDA's continue to be observed and perpetuated in communities across the region. Generally, these areas have low walkability and lower health outcomes. This dispersed development pattern dilutes from the vibrancy and market potential of existing Urban Centres and FTDA's, contributes to increased traffic congestion and Greenhouse Gas Emissions, and contributes to negative health outcomes for residents and workers. Renewed commitment to the growth framework in *Metro 2040* is required to ensure more of the region's residents have access to healthy, walkable neighbourhoods.
- Stronger connections between regional Urban Centre and FTDA policies and complete community policies are required. Further integrating health and applying an equity lens to the regional growth framework in the update to *Metro 2040* may support the deeper integration of policy areas.

These findings will help inform the Urban Centre and FTDA Policy Review as well as other Metro Vancouver planning work.

## **ALTERNATIVES**

1. That the MVRD Board:
  - a) receive for information the report dated June 11, 2019, titled “*Where Matters: Health and Economic Impacts of Where We Live Final Report*”; and
  - b) forward the “*Where Matters: Health and Economic Impacts of Where We Live Final Report*” and its attachments to member jurisdiction Mayors and Councils for information.
2. That the MVRD Board receive for information the report dated June 11, 2019, titled “*Where Matters: Health and Economic Impacts of Where We Live Final Report*” and provide alternate direction to staff.

## **FINANCIAL IMPLICATIONS**

Metro Vancouver was a partner in the *Where Matters Study*, and contributed a total of \$45,000 over two years. All funds were part of Board-approved Regional Planning budgets.

The total cost of the project was \$320,000 over two years, which included \$140,000 from the Real Estate Foundation of BC, \$90,000 from the City of Vancouver, and \$45,000 from TransLink. The project also leveraged a \$280,000 grant from the Canadian Institute of Health Research.

## **SUMMARY / CONCLUSION**

Since 2016, Metro Vancouver has been a contributing partner to the *Where Matters: Health and Economic Impacts of Where We Live* research study led by Dr. Larry Frank through UBC’s Health and Community Design Lab. The study findings have been released, and demonstrate strong associations between high levels of walkability and high levels of park access with better health outcomes. Lower levels of walkability and lower levels of park access are similarly associated with greater likelihood of chronic diseases including diabetes, heart disease, obesity, and stress-related illness. The associated health care costs of treating these diseases were calculated to demonstrate the economic benefit of investing in walkability improvements and park access.

The *Where Matters Study* documents significant associations between built and natural environment features and health outcomes and costs in two separate datasets. It links the My Health My Community (33,000 participants) and the BC Generations (14,000 participants) datasets with the 2011 Metro Vancouver Walkability and Park Database. It found similar relationships between walkability and park access with health outcomes for these two independent datasets. It is one of the first studies to directly link a wide array of physical and mental health outcomes with built and natural environment features and may be the first to monetize these relationships.

The *Where Matters Study* also reinforces the *Metro 2040* growth framework and the regional vision of focusing growth in a network of compact and complete communities along the Frequent Transit Network. Municipalities across the region are building walkable communities, especially in Urban Centres and FTDAs, and these places are associated with better health outcomes. One of the implications of this study is that policies to support income inclusivity in neighbourhoods that already

have high levels of walkability and park access are critical to ensuring health equity among income groups in this region. If lower income residents are forced to live in areas with lower levels of walkability and park access due to housing affordability drivers, it will exacerbate health inequities between economic groups. The study will be used to inform the *Metro 2040* Urban Centre and FTDA Policy Review.

#### **Attachment**

*Where Matters: Health and Economic Impacts of Where We Live* Policy Brief, UBC Health and Community Design Lab, May 6, 2019

#### **References**

1. [Walkability Surface and Health and Economic Benefits Study Update, Staff Report, Regional Planning Committee, September 7, 2018](#)
2. [Documenting Health and Economic Benefits of Sustainable Development and Transport Investment in the Lower Mainland Study, Staff Report, Regional Planning Committee, February 3, 2017](#)

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# Where Matters



## Health & Economic Impacts of Where We Live

### Project Advisory Panel:

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Real Estate Foundation of British Columbia  
Mr. Sam Khany, City of Vancouver  
Mr. Lyle Walker, TransLink  
Ms. Erin Rennie, Metro Vancouver

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Mr. Stuart Hamre, Graphic Designer

### Prepared By:



**HEALTH & COMMUNITY DESIGN LAB**  
School of Population and Public Health

May 6, 2019

<https://health-design.spph.ubc.ca/>

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School of Population and Public Health  
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**metrovancouver**  
SERVICES AND SOLUTIONS FOR A LIVABLE REGION



THE UNIVERSITY OF BRITISH COLUMBIA  
Applied Science



Metro Vancouver Regional District

# Walkability and Green Space are Preventive Medicine

There is a public health crisis happening right now. Total health expenditure in Canada was estimated to be up to \$253.5 billion (\$6,839 per person) for 2018. This represents 11% of Canada's gross domestic product according to the Canadian Institute for Health Information. For example, obesity, high blood pressure, and diabetes place tremendous pressure on our healthcare system (see Figure 1).

There is an increasing consensus that the postal code of the neighbourhood where we live is as important as our genetic code. Studies

have shown that land-use decisions and transportation investments to enhance neighborhood walkability and access to green space can significantly affect how you travel and your physical activity, and exposure to air pollution, traffic safety and crime, and noise.

Very few studies have examined how transportation investment, neighbourhood walkability and access to green space are associated with less chronic disease and lower health care cost (see Figure 2). To date, existing evidence used to inform major transportation investment deci-

sions have rarely accounted for the potential health impacts and related costs of these factors.

The **Where Matters Study** aims to incorporate health into local and regional policy-making by examining the multiple pathways linking the way our communities are planned and designed with people's travel and physical activity patterns, chronic disease risk and health care cost.

**Chronic Disease Burden**  
Proportion of Population Chronic Disease 2013

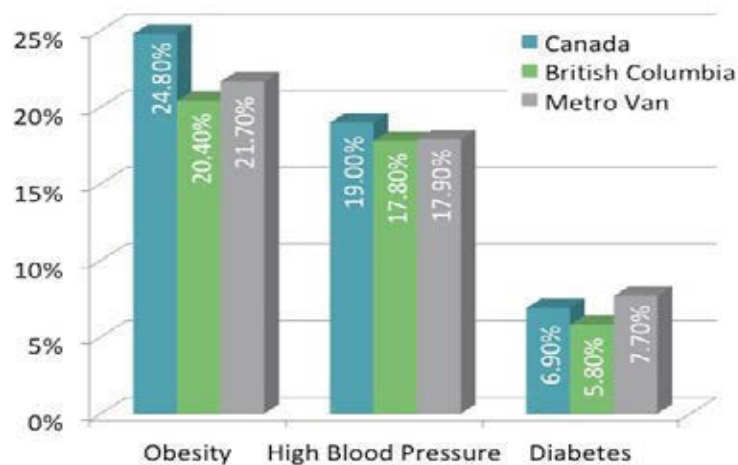


Figure 1. Canadian health context using My Health, My Community survey for Metro Vancouver, and CCHS for BC and Canada.

**Causal Pathway Linking Environment, Health, and Cost**

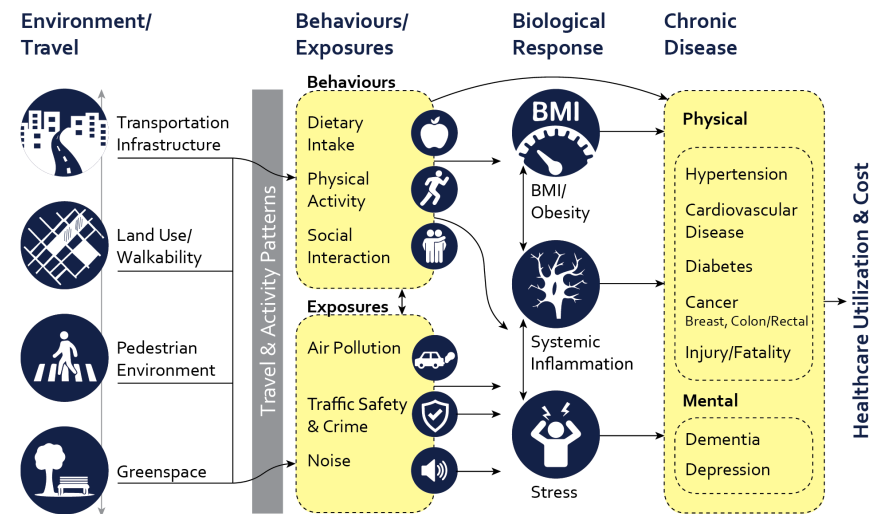


Figure 2. Frank, L.D., Iroz-Elardo, N., MacLeod, K.E., & Hong, A. (2019). Pathways from built environment to health: A conceptual framework linking behavior and exposure-based impacts. *Journal of Transport & Health*, 12, 319-335.



# The Where Matters Study Design

The **Where Matters Study** is a unique partnership between the UBC Health and Community Design Lab and multiple government agencies and health authorities, including Vancouver Coastal Health, Fraser Health, Metro Vancouver, TransLink, and the City of Vancouver. The study had three aims:

1. To investigate the relationship between built and natural environment and health
2. To investigate how the relationships between built and natural environment and health vary across income and age groups
3. To investigate the extent to which walkable environments can reduce health care costs

The study used two existing and unique health datasets, the My Health, My Community Survey survey conducted between 2013 and 2014 (representing 33,000 individuals), and the

BC Generations Project survey conducted between 2009 and 2013 (representing 18,000 individuals) that provided highly detailed information about people's health & wellbeing and anonymous health records.

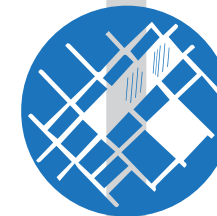
These datasets were then combined with a detailed built and natural environment database that measures neighbourhood walkability. Using this information, we studied the relationship between where people lived and how walkable their neighbourhood was to six health outcomes: (1) physical activity; (2) obesity; (3) diabetes; (4) heart disease; (5) stress; and (6) sense of community.

See the full technical report for more details. The Where Matter Study also built upon an existing study funded by the Canadian Institutes of Health Research (CIHR) to calculate the healthcare cost savings of living in a more walkable neighbourhood.



Vancouver Coastal and Fraser Health Authorities

Linkage



**Built Environment Database**

Linkage



BC Cancer Agency

## The Monetization of Health Outcomes



**Characterize  
Built  
Environment**



**Predict  
Behaviours and  
Exposures**



**Predict  
Public  
Health**



**Apply  
Cost of  
Illness**



**Monetized  
Health  
Outcome**





# Measuring the Components of Walkability

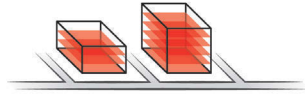
Walkability is a measure of the **physical characteristics of the urban environment** at the local or neighbourhood level that support walking. In Metro Vancouver, walkability has been quantified by the Health and Community Design Lab using the method developed by Dr. Larry Frank and validated by numerous studies in North America. The walkability of an area is defined using four measures which, combined, create a **Walkability Index**.

Net residential density



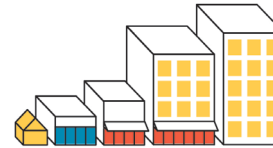
The concentration of dwelling units. Higher values indicate a greater number of dwelling units relative to the residential land area.

Commercial FAR



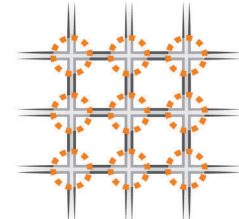
The ratio between the total commercial floor area of a building to the land area of the property it is built on. Higher values indicate less surface parking and buildings set close to sidewalks and street.

Land use mix



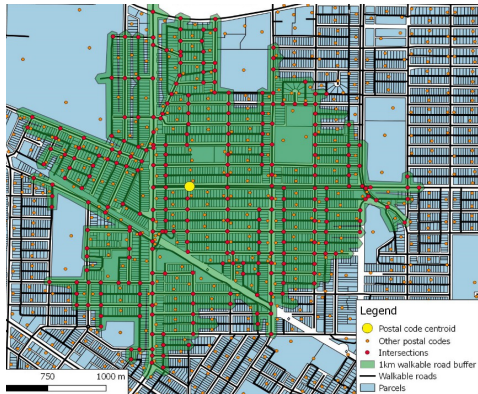
The balance between building floor areas of six land uses (retail, entertainment/recreation, civic/educational, office, single-family residential, and multi-family residential), providing more opportunities for different activities in the same area.

Intersection density



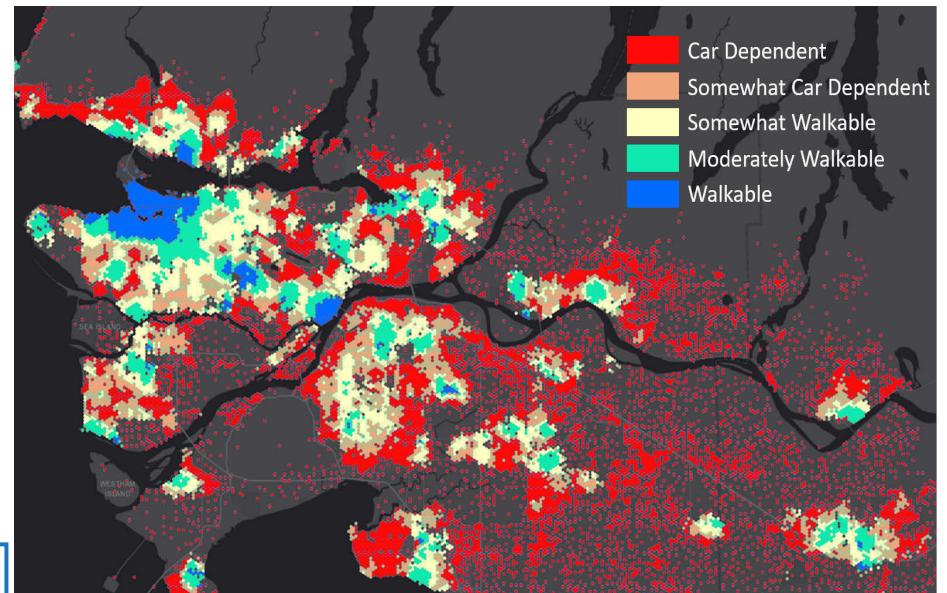
The measure of road network connectivity. Higher values indicate smaller block sizes and a greater number of intersections.

## Behaviour-Sheds



To measure how walkability differed across the region, we used every postal code in Metro Vancouver. To calculate the walkability index, we drew a one kilometre area around each postal code (also known as a street network buffer). The yellow dot is the center of the postal code. The bold dark lines represent the walkable road network segments. The green polygon is the 1 km buffer. We use the green polygon to measure the four components of walkability. This produces a highly detailed map of walkability across the region.

## Five different types of neighbourhoods based on walkability



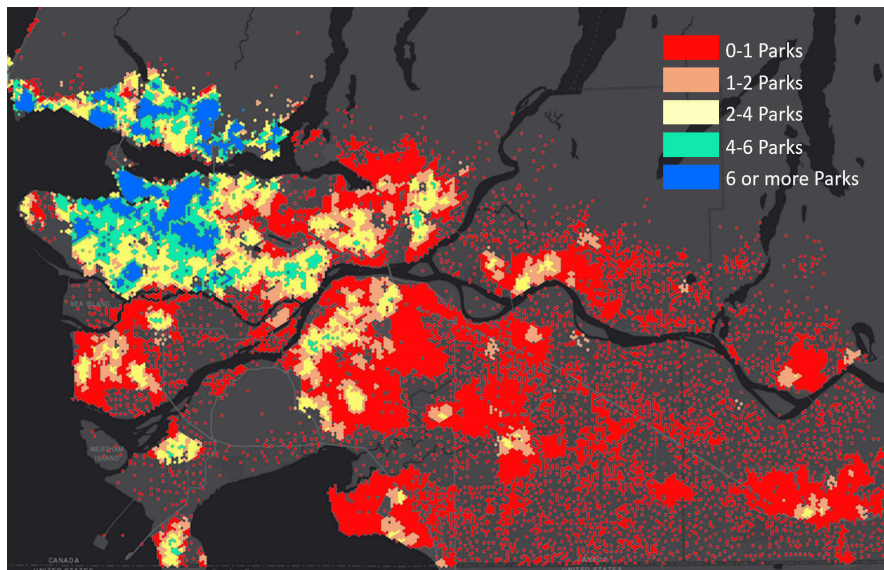


# Additional Components of a Walkable Community

## Access to Parks

**Park access** is a measure of the number of public parks that can be publicly accessed. To measure the number of parks, we used the street network buffer used to create the walkability index. Blue represents areas with a high number of parks (6 or more) and red represents zero to 1 parks nearby.

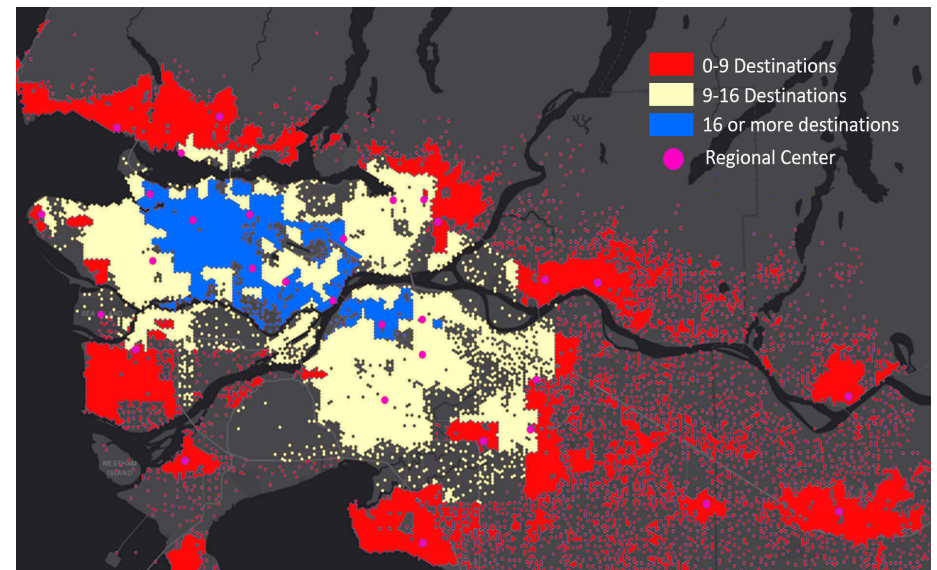
Park Access: Number of Parks Within 1 km Walking Distance



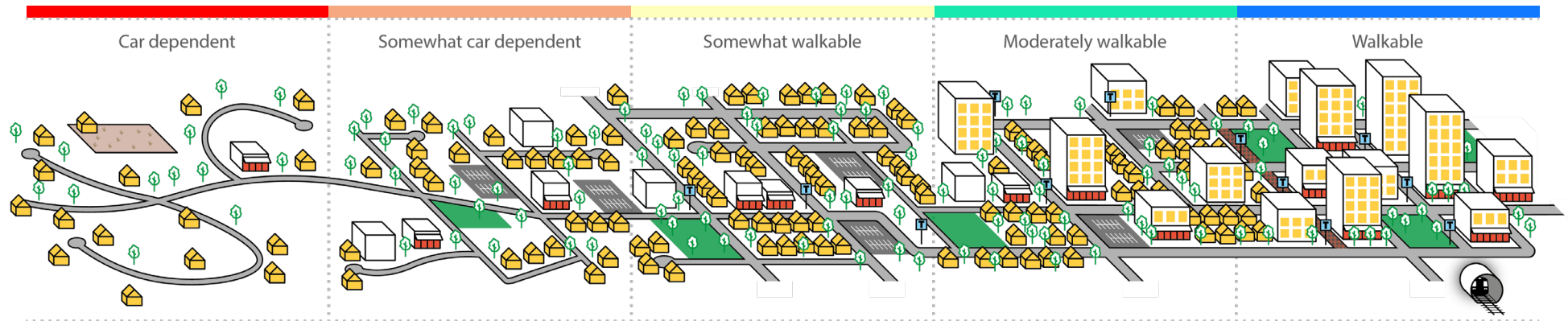
## Regional Accessibility

**Regional accessibility** is a measure of ease of travel to major regional locations. Regional accessibility was defined as the number of major regional centres that can be reached by a 45-minute transit ride during the morning rush hour. Red represents areas with lower levels of regional accessibility and blue represents high accessibility.

Regional Accessibility: Number of Regional Centres Accessible by Transit in 45 Minutes in Morning Rush Hour.



# Place Types by Walkability



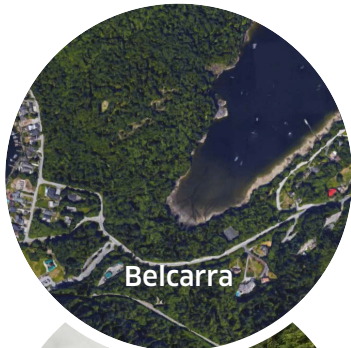
\*5 dwellings per acre

\*10 dwellings per acre

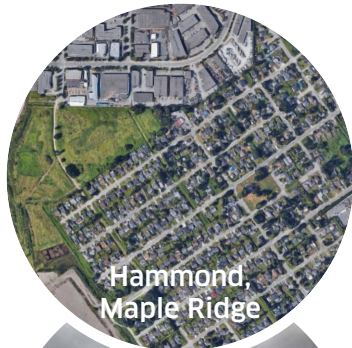
\*15 dwellings per acre

\*25 dwellings per acre

\*60 dwellings per acre



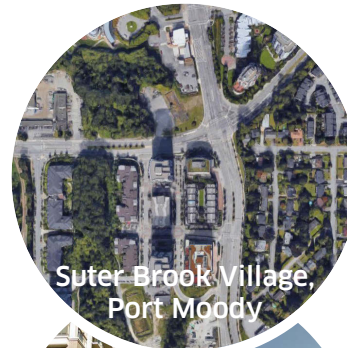
Belcarra



Hammond,  
Maple Ridge



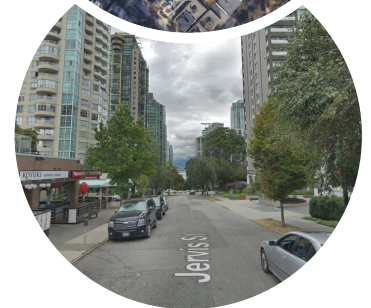
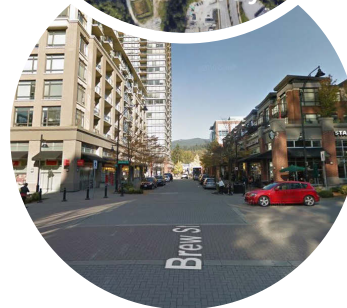
Cloverdale,  
Surrey



Suter Brook Village,  
Port Moody



West End,  
Vancouver



Other examples:  
Eagle Harbour  
(West Vancouver),  
Shaughnessy  
(Vancouver)

Other examples: Capital  
Hill (Burnaby), Seafair  
(Richmond)

Other examples:  
Dundarave (West  
Vancouver), Sunset  
(Vancouver)

Other examples:  
Brighouse (Richmond),  
Suter Brook (Port  
Moody)

Other examples:  
Lower Lonsdale (North  
Vancouver), Downtown  
(New Westminster)

Metro Vancouver Regional District

\* Numbers represent median value for each place type.



# Chronic Disease Findings

Understanding how where you live matters for your health

## Walkability



### Physical Activity

People living in a somewhat walkable area are **20% more likely to walk for transportation** and people in a walkable area are **45% more likely** compared to those living in a car dependent area. People in a walkable area are **17% more likely to meet the weekly recommended level of physical activity** compared to those living in a car dependent area.



### Obesity

People living in a walkable area are **42% less likely to be obese** compared to those living in a car dependent area.



### Diabetes

People living in a moderately walkable area are **27% less likely to have diabetes** and people in a walkable area are **39% less likely to have diabetes** compared to those living in a car dependent area.



### Heart Disease

People living in a moderately walkable area are **14% less likely to have heart disease** compared to those living in a car dependent area.



### Stress

People living in a somewhat car dependent area are **19% less likely to have stressful days** and people in a walkable area are **23% less likely to have stressful days** compared to those living in a car dependent area.



### Sense of Community

People living in a moderately walkable area are **24% more likely to have a strong sense of community belonging** and people in a walkable area are **47% more likely** compared to those living in a car dependent area.

## Park Access

People living in an area with many parks (6 or more) are **20% more likely to walk for leisure or recreation** and **33% more likely to meet the weekly recommended level of physical activity** compared to those living in an area with no parks.

People living in an area with many parks (6 or more) are **43% less likely to be obese** compared to those living in an area with no parks.

People living in an area with many parks (6 or more) are **37% less likely to have diabetes** compared to those living in an area with no parks.

People living in an area with many parks (6 or more) are **39% less likely to have heart disease** compared to those living in an area with no parks.

People living in an area with many parks (6 or more) are **19% less likely to have stressful days** compared to those living in an area with no parks.

People living in an area with many parks (6 or more) are **23% more likely to have a strong sense of community belonging** compared to those living in an area with no parks.



Metro Vancouver Regional District

# Understanding Economic Benefits for Chronic Disease

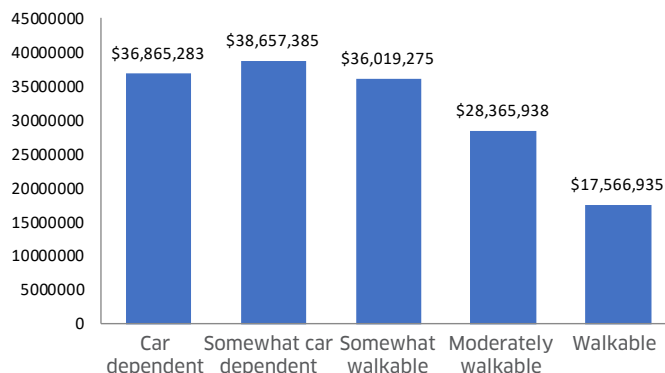
Our findings show that the type of neighbourhood you live in matters for your health. This means the type of investments we make in transportation infrastructure, parks, and land use actions will impact how much money we spend on health care. To show this relationship, we estimated annual direct cost to the health care system by linking the My Health My Community data with the Economic Burden of Illness in Canada and the Canadian Community Disease Surveillance System estimates (see link below) for diabetes, hypertension and heart disease in the lower mainland. Our findings suggest the type of neighbourhood you live in matters for your health.



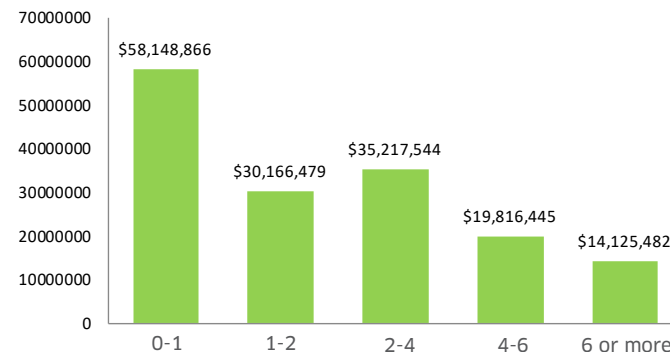
## Diabetes

The estimated direct health care cost in a moderately walkable area is **23% less** than in a car dependent area. **48% less** is spent in a neighborhood with 1-2 parks nearby and **75% less** is spent in a neighborhood with 6 or more parks than in a neighborhood with 0-1 parks.

### Walkability

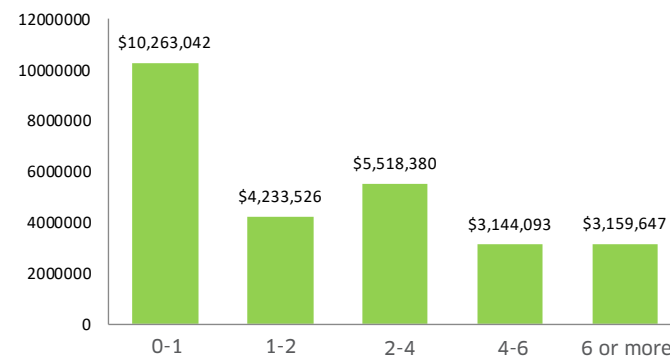
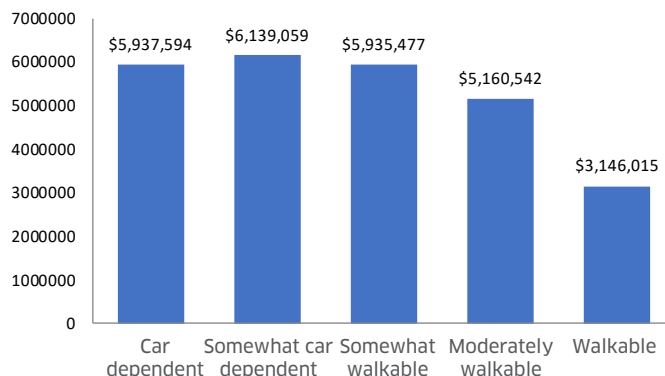


### Park Access (Number of Parks)



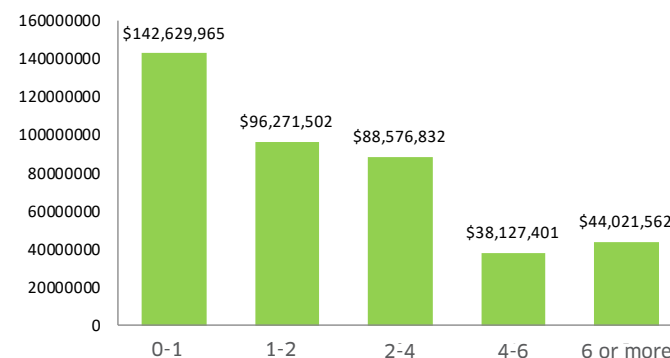
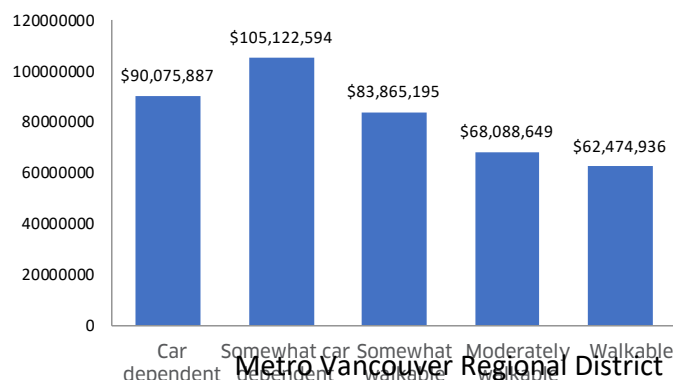
## Hypertension

The estimated direct healthcare cost in a walkable area is **47% less** than in a car dependent area. **59% less** is spent in a neighborhood with 1-2 parks nearby and **69% less** is spent in a neighborhood with 6 or more parks than in a neighborhood with 0-1 parks.



## Heart Disease

The estimated direct healthcare cost in a walkable area is **31% less** than in a car dependent area. **33% less** is spent in a neighborhood with 1-2 parks nearby and **69% less** is spent in a neighborhood with 6 or more parks than in a neighborhood with 0-1 parks.

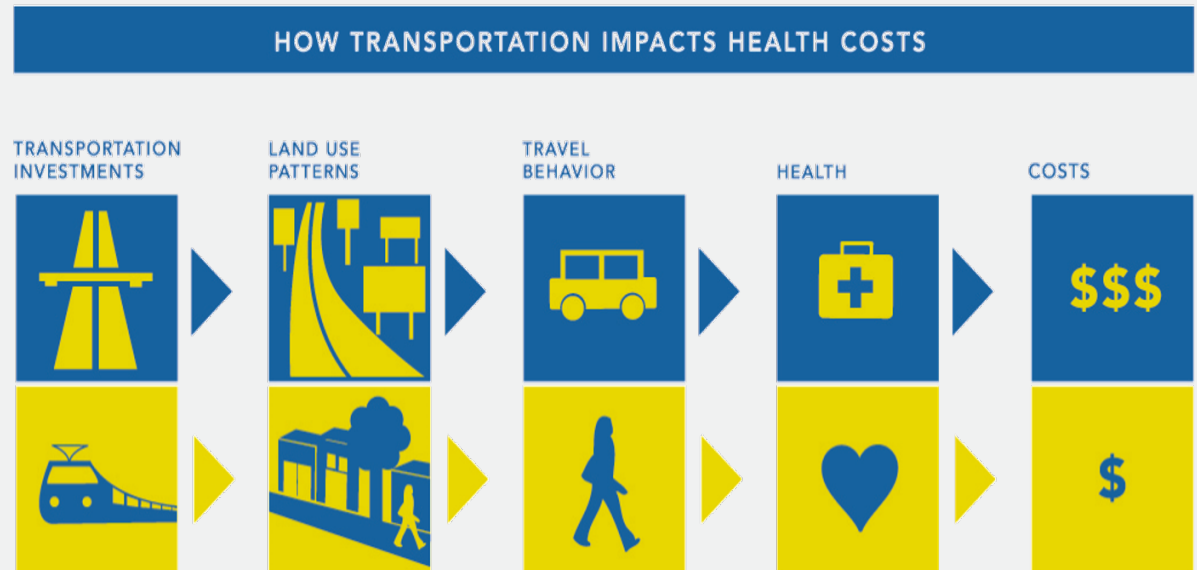


Metro Vancouver Regional District

# So What? Policy Implications and Fiscal Impacts

Our findings reveal that the type of neighbourhood you live in matters for your health. For this reason, it is important to recognize that the type of investments we make in our **transportation infrastructure**, and the resulting land use patterns of our communities, will ultimately impact the money we individually and collectively as a society spend on healthcare.

In terms of walkability, people living in an urban centre have lower healthcare spending compared to those living in an exurban area for both diabetes and high blood pressure. In terms of park access, people living in an area with a high number of parks (6 or more) within a 1 kilometer distance have the lowest health care spending compared to those with no parks nearby.



Source: Frank et al. 2010, The Hidden Health Costs of Transportation, American Public Health Association.

## Applying the Research

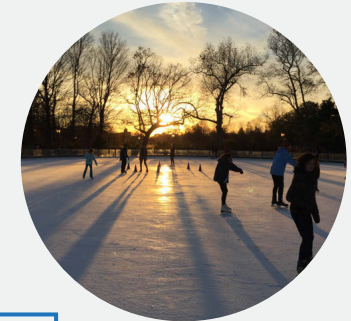
**Transit investment and TOD Business Case:** Policies to promote fixed guideway transit investment integrated with high density walkable development based on predicted reductions in chronic disease and associated health care cost savings.

**Green Space:** Investments in parks, green space, and open space programs to foster increased access to recreational environments based on predicted physical and mental (sense of community and social capital) benefits and health care cost savings.

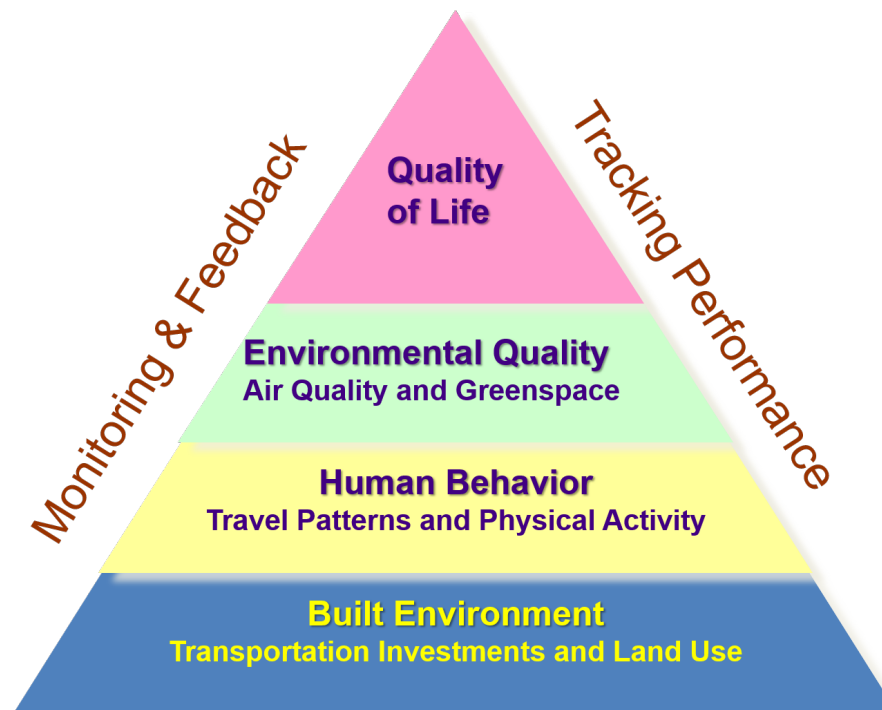
**Active Transportation Planning:** Application of results demonstrating health and economic benefits of investing in active transportation to help justify increased funding for pedestrian and bike infrastructure and to help with defining needs and prioritizing investments.

**Land Use Scenario Planning:** Regulatory and fiscal policies to support increased access to shops and services and overall land use mix and densification and creation of contrasting future growth scenarios linked with health outcomes and costs.

**Health Equity:** Investing in underserved communities where transit, active transportation, greenspace, and policies to promote local access to shops and services are most needed to reduce the chronic disease burden born by the most disadvantaged.



*“WHAT GETS MEASURED GETS DONE...”*





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To: Regional Planning Committee

From: Sean Tynan, Acting Senior Planner, Regional Planning  
Lucy Duso, Policy Coordinator, External Relations

Date: June 14, 2019 Meeting Date: July 5, 2019

Subject: **Metro 2050 Engagement Plan**

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**RECOMMENDATION**

That the MVRD Board:

- a) Adopt the Metro 2050 Engagement Plan as outlined in the report dated June 14, 2019, titled "Metro 2050 Engagement Plan";
- b) In alignment with the requirements of Section 434 (3) of the *Local Government Act*, direct staff to include a Regional Public Hearing as part of the engagement process for *Metro 2050*; and
- c) As per Section 433 (4) of the *Local Government Act*, notify affected local governments and the Minister of Municipal Affairs and Housing of the initiated update to *Metro 2040*.

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**PURPOSE**

The purpose of this report is four-fold, to seek Metro Vancouver Regional District (MVRD) Board adoption of the Metro 2050 Engagement Plan; to meet the requirements of both the *Local Government Act* and Metro Vancouver Board's *Public Engagement Policy*; to seek MVRD Board direction on the inclusion of a Regional Public Hearing in the engagement process; and to provide an update on the joint engagement process underway with TransLink, which focuses on public input on the future of the region.

**BACKGROUND**

*Metro Vancouver 2040: Shaping Our Future (Metro 2040)*, the regional growth strategy, was accepted by all member jurisdictions and adopted by the MVRD Board in July 2011. Since its adoption, *Metro 2040* has been a strong and effective tool representing the regional federation's collective vision for how to sustainably manage anticipated growth to support the creation of complete, connected and resilient communities, protect important lands and support the efficient provision of urban infrastructure like transit and utilities.

At its meeting of April 5, 2019 the MVRD Board adopted the following resolutions:

*That the MVRD Board:*

- a) *initiate a comprehensive update to Metro Vancouver 2040: Shaping our Future;*
- b) *direct staff to prepare a Stakeholder Engagement Plan for the update to Metro Vancouver 2040: Shaping our Future for Board consideration; and*
- c) *authorize staff to partner with TransLink in its May to September 2019 'Vision and Values' public engagement process for the future of the region.*



This report responds to resolutions b) and c) above by providing the Metro 2050 Engagement Plan for Board consideration.

## **METRO 2050 ENGAGEMENT PLAN**

### **Scope of Metro 2050**

The comprehensive update to *Metro 2040* will build on its strengths, extend the strategy's time horizon to the year 2050, integrate with the update to the Regional Transportation Strategy, and strengthen current policies and address policy gaps.

Through implementation of the regional growth strategy, significant effort has gone into assessing performance, progress made, and implementation successes and challenges with the strategy's policies. Over 2019, Metro Vancouver will be completing several policy reviews, each intended to take stock of *Metro 2040*'s policy framework, identify gaps and policy options in response, to help shape the development of Metro 2050. These Policy Reviews include topics such as: Urban Centres and Frequent Transit Development Areas, Agriculture, Environment, Industrial and Mixed Employment Lands, Climate Change, Housing, Transportation, and Complete Communities.

Two major policy areas have been identified as significant gaps in *Metro 2040* - climate action and equity. The intent is to explore using both climate action and equity as lenses through which to view all regional growth strategy policies. In addition, the Long-Range Growth and Transportation Scenarios, completed in May 2019, provide an opportunity to test the resilience of *Metro 2040* policies to multiple futures and begin to address and integrate uncertainties that were not well considered in the development of *Metro 2040* – such as global economic shifts and the impacts of technology and automation on population growth, employment and other areas.

A number of other areas identified for substantive policy improvements were noted in the March 28, 2019 report to the Regional Planning Committee titled “Towards Metro 2050: Updating Metro Vancouver 2040: Shaping our Future” (see Reference 1).

The update to *Metro 2040* may also include the addition of a new vision statement and guiding principles, informed through the joint engagement process underway with TransLink, which focuses on public input on ‘vision and values’ to inform planning for the future of the region.

### **Timeline and Phasing of Metro 2050**

Developing Metro 2050 will require approximately three years. Phases and anticipated timing are included in the table below. The Metro 2050 Engagement Plan, included as Attachment 1, is designed to align with this timing and phasing.

Phase 1: Review & New Ideas	Phase 2: Plan Development	Phase 3: Approvals
Q2 2019 to Q2 2020	Q3 2020 to Q2 2021	Q3 2021 to Q3 2022
Reviewing <i>Metro 2040</i> to identify opportunities for improvement, developing an updated vision and creating guiding principles.	Refining and adding detail to recommended policies and writing draft Metro 2050 content.	Communicating, refining, and seeking approvals for Metro 2050.

### Requirements for Engagement

Updating *Metro 2040* as planned requires a Type 1 Major Amendment, requiring acceptance from all affected local governments and triggering consultation requirements identified through the *Local Government Act* in sections 434 and 450. Under Section 434:

*(1) During the development of a regional growth strategy,*  
*(a) the proposing board must provide opportunity for consultation with persons, organizations and authorities that the board considers will be affected by the regional growth strategy, and*  
*(b) the board and the affected local governments must make all reasonable efforts to reach agreement on a proposed regional growth strategy.*

*(2) For the purposes of subsection (1) (a), as soon as practicable after the initiation of a regional growth strategy, the board must adopt a consultation plan that, in the opinion of the board, provides opportunities for early and ongoing consultation with, at a minimum, the following:*

- (a) its citizens;*
- (b) affected local governments;*
- (c) first nations;*
- (d) boards of education, greater boards and improvement district boards;*
- (e) the Provincial and federal governments and their agencies.*

*(3) In adopting a consultation plan under subsection (2), the board must consider whether the plan should include the holding of a public hearing to provide an opportunity for persons, organizations and authorities to make their views known before the regional growth strategy is submitted for acceptance under section 436 [acceptance by affected local governments].*

In addition, Section 450 includes a requirement to establish an intergovernmental advisory committee. The Metro 2050 Engagement Plan includes a range of opportunities for engagement for the audiences identified in the *Local Government Act* and includes a Regional Public Hearing as part of the engagement process to provide an additional and formal opportunity for the broader public to provide comment on the proposed amendments. The Metro 2050 Engagement Plan describes the audiences, timing and methods for engagement and includes relevant excerpts from the *Local Government Act*.

In addition, in March 2018, the Metro Vancouver Board adopted the *Public Engagement Policy*. The Metro 2050 Engagement Plan also meets the requirements of this policy.

#### **Requirement for Notification to Affected Local Governments**

Under Section 433 (4) of the *Local Government Act*, as part of initiating a process to amend a regional growth strategy, the MVRD Board is required to give written notice to affected local governments and to the Minister of Municipal Affairs and Housing.

#### **Update on Alignment with the Regional Transportation Strategy**

Metro Vancouver is working closely with TransLink to ensure integration and alignment between Metro 2050 and Transport 2050. This integration began in mid-2018 through the co-development of Long-Range Growth and Transportation Scenarios intended to help both agencies better integrate the possible impacts of range of drivers and external forces that are influencing the future of the region, including climate change, technological innovation and automation and global economic shifts. The joint scenarios will be utilized by both agencies in testing the resilience of policies in both current and future plans.

In addition, Metro Vancouver and TransLink are partnered on several engagement opportunities, including:

- As described in the report dated March 28, 2019 titled “Towards Metro 2050: Updating Metro Vancouver 2040: Shaping our Future” (Reference 1), Metro Vancouver has partnered with TransLink on a process to gather input on public values with the aim of informing the development of a regional vision and principles. The outputs are meant to inform both Transport 2050 and Metro 2050. The engagement was launched by TransLink in May 2019 through an online survey.
- In June 2019, TransLink and Metro Vancouver co-hosted an event to launch stakeholder engagement on Transport 2050 and to begin to gather policy ideas related to the future of transportation in the region. The outcomes can be used to inform Transport 2050, Metro 2050 and the Climate 2050 roadmap focused on transportation.
- In September 2019, Metro Vancouver and TransLink will be hosting a half-day regional forum at the closing of the Rail~Volution conference in Metro Vancouver. The regional forum will bring together practitioners from around the region to focus on pressing challenges, and to consider new responses. It is focused on a local audience, but conference attendees are welcome to attend. Metro Vancouver and TransLink staff see this half day session as an important opportunity to highlight, and provide valuable input into, the development of both Metro 2050 and Transport 2050.

The integration of regional growth management and land use considerations into Transport 2050 are also built into the project governance, with a Transport 2050 Policy-Maker Coordination Forum, Executive Project Steering Committee and Project Management Committee all having representation from TransLink, the Province and Metro Vancouver. The Regional Planning Committee will receive updates throughout Transport 2050 and Metro 2050 development.

## **ALTERNATIVES**

1. That the MVRD Board:
  - a) adopt the Metro 2050 Engagement Plan as outlined in the report dated June 14, 2019, titled “Metro 2050 Engagement Plan”;
  - b) in alignment with the requirements of Section 434 (3) of the *Local Government Act*, direct staff to include a Regional Public Hearing as part of the engagement process for *Metro 2050*; and
  - c) as per Section 433 (4) of the *Local Government Act*, notify affected local governments and the Minister of Municipal Affairs and Housing of the initiated update to *Metro 2040*.
2. That the MVRD Board:
  - a) adopt the Metro 2050 Engagement Plan as outlined in the report dated June 14, 2019, titled “Metro 2050 Engagement Plan”;
  - b) in alignment with the requirements of Section 434 (3) of the *Local Government Act*, waive the Regional Public Hearing as part of the engagement process for *Metro 2050*; and
  - c) as per Section 433 (4) of the *Local Government Act*, notify affected local governments and the Minister of Municipal Affairs and Housing of the initiated update to *Metro 2040*.
3. That the MVRD Board receive for information the report dated June 14, 2019, titled “Metro 2050 Engagement Plan” and provide alternative direction to staff.

## **FINANCIAL IMPLICATIONS**

If the MVRD Board chooses Alternative 1, the engagement activities identified in the Metro 2050 Engagement Plan would be accommodated within the Board-approved 2019 Regional Planning budget and additional funds would be sought through the 2020 and 2021 budget processes. Most of the financial implications are in the form of Metro Vancouver staff time, with substantive work to be undertaken by staff from Regional Planning and External Relations.

The proposed 2020 budget is under preparation, but staff anticipate that the engagement activities identified in the Metro 2050 Engagement Plan will cost approximately \$40,000 for 2020, including event costs such as venue rental and catering, advertising, and multimedia communications materials. The amount will be confirmed through the 2020 budget process. The costs for the Regional Public Hearing would be borne in 2021 and would be confirmed through the 2021 budget process.

If the MVRD Board chooses Alternative 2, the costs of the Regional Public Hearing would be avoided as well as some of the advertising costs.

## **SUMMARY / CONCLUSION**

The comprehensive update to *Metro 2040* will build on its strengths, extending the strategy’s time horizon to the year 2050, integrating with Transport 2050, and strengthening current policies to address policy gaps.

Pursuant to Section 434 of the *Local Government Act*, the MVRD Board is required to adopt a consultation plan that provides early and ongoing opportunities for engagement. Section 434 also defines several audiences that must be included in the process and requires the MVRD Board to

consider whether holding a Regional Public Hearing will or will not be incorporated into the engagement process. These requirements are complemented by Section 433 (4) which also requires the MVRD Board to give written notice to affected local governments and to the Minister of Municipal Affairs and Housing as part of initiating a major amendment to the regional growth strategy.

The Metro 2050 Engagement Plan provides opportunities for plan signatories, non-signatory stakeholders, First Nations and the public to provide input into the comprehensive update to *Metro 2040*. The engagement plan is intended to meet the requirements of the *Local Government Act* and to align with Metro Vancouver's *Public Engagement Policy*. Staff therefore recommend Alternative 1.

### **Attachment**

*Metro 2050 Engagement Plan* dated June 14, 2019

### **References**

1. [“Towards Metro 2050: Updating Metro Vancouver 2040: Shaping our Future”](#) dated March 28, 2019
2. [Local Government Act \[RSBC 1996\] Chapter 323](#)

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## Metro 2050 Engagement Plan

June 2019

### Objective

The Metro 2050 Engagement Plan describes the approach Metro Vancouver will take to provide the opportunity for consultation with persons, organizations and authorities considered affected by the regional growth strategy. The consultation will meet the engagement requirements of a Type 1 Major Amendment in accordance with *Metro Vancouver 2040: Shaping our Future (Metro 2040)*, the regional growth strategy, as well as *Local Government Act* sections 434 and 450, and will align with the Metro Vancouver Board's Public Engagement policy.

In addition to providing a proactive and transparent approach to consultation, this plan provides a structure to track feedback that can inform decisions on updates to the regional growth strategy. The consultation process will contribute to building support with signatories, strengthening relationships with other governments, and reaffirming the purpose of the regional growth strategy and benefits of regional planning.

### Timing

The Metro Vancouver Board initiated the process for a comprehensive update to *Metro 2040* in April 2019 and directed staff to prepare an Engagement Plan. Some early consultation is occurring through summer 2019 through a shared public process undertaken with TransLink to inform Transport 2050 and Metro 2050. In addition, staff have initiated discussions with stakeholders, largely member jurisdictions, on specific policies within *Metro 2040* through a series of Policy Reviews.

The approach to engagement aligns with the three phases of Metro 2050 outlined in the table below. The table also includes 'pre-consultation' to reflect the Policy Review and visioning work already underway.

Staff anticipate completing Metro 2050, the update to *Metro 2040*, in mid 2022. Working back from that timeline, and allowing various governments and member jurisdictions a reasonable time for discussion and approval, means that broader consultation and engagement on policy options must be complete by mid 2020. This allows for six to nine months of targeted and deep engagement with member jurisdictions in developing and testing Metro 2050 policy, and then once considered by the Metro Vancouver Board, 12 to 15 months for member jurisdiction approvals.

## Alignment with the Workplan to Develop Metro 2050

	<b>Pre-consultation</b> <b>2018 – Q2 2019</b>	<b>Phase 1: Review &amp; New Ideas</b> <b>Q2 2019-Q2 2020</b>	<b>Phase 2: Plan Development</b> <b>Q3 2020 to Q1 2021</b>	<b>Phase 3: Approvals</b> <b>Q2 2021 to Q3 2022</b>
<b>Project Phases</b>	Early consultation in anticipation of an update to <i>Metro 2040</i>	Reviewing Metro 2040 to identify opportunities for improvement, developing an updated vision and creating guiding principles.	Refining and adding detail to recommended policies and writing draft Metro 2050 content.	Communicating, refining, and seeking approvals for Metro 2050.
<b>Engagement</b>	Ongoing discussion with stakeholders regarding the application and effectiveness of the regional policies in <i>Metro 2040</i>	Consultation activities differ with differing audiences. Technical and municipal staff are engaged at a policy-specific level, and regional agencies and governments on the fuller strategy.	Engagement largely with signatories through reviewing and incorporating feedback and writing content.	Engagement largely with elected councils, public hearing and Committee and Board meetings.

## Audiences

Section 434 of the *Local Government Act* specifies that the MVRD Board must adopt a consultation plan that, at a minimum, provides early and ongoing opportunities for consultation with: citizens; affected local governments; First Nations; Boards of Education, Greater Boards and Improvement District Boards; and, the Provincial and Federal Governments and their agencies. The Province may specify which Ministries and agencies are to be consulted. These requirements complement Metro Vancouver's Board's *Public Engagement Policy*, ensuring public involvement in decision making where Board decisions may impact their lives.

For the update to *Metro 2040*, Metro Vancouver has identified the following audiences in alignment with the *Local Government Act* requirements:

<i>Metro 2040</i> Signatories and Metro Vancouver Boards and Committees	<p>Signatories: Member jurisdictions*, Fraser Valley and Squamish-Lillooet Regional Districts, and the South Coast British Columbia Transportation Authority (TransLink)</p> <p>Metro Vancouver Boards and Committees including the Regional Planning Committee, and MVRD Board; Staff advisory committees including the Regional Planning Advisory Committee (RPAC) and its subcommittees and the Regional Administrators Advisory Committee (RAAC); Metro Vancouver Departments through policy development including Parks and Housing, Liquid Waste, and Water Services.</p> <p>The Province of BC (Ministry of Municipal Affairs and Housing, Ministry of Transportation and Infrastructure, Ministry of Jobs, Technology and Trade)</p> <p><small>*not all member jurisdictions are signatories. Bowen Island and Electoral Area A (specifically UEL/ UBC)</small></p>
Non-signatory regional interests	<p>Agencies with policy language or actions including: Agricultural Land Commission and Vancouver Fraser Port Authority</p> <p>Other subject matter experts, and affected / interested regional agencies including School Districts, BC Housing, Health Authorities, Vancouver International Airport Authority etc.</p>
First Nations	In-region First Nation governments, plus First Nations with lands in a similar geographic area to the Fraser Valley, Squamish-Lillooet Regional Districts and on Vancouver Island, all having shared interests in the Metro Vancouver region, in whole or in part, as per the BC Government's First Nations Consultative Areas Data Base.
General Public	Engaged public, media

### Scope of the Engagement Plan

The Engagement Plan describes broad inter-governmental and community-level consultation activities, including those required by *the Local Government Act*. It does not include details on the specifics of the consultation processes that will be required for each Policy Review (e.g. Agriculture Policy Review, Environment Policy Review etc.) which will come forward to the Regional Planning Committee and Board independently. A list of the Policy Reviews is found item 5.5 in the Regional Planning Committee Agenda for April 5, 2019.

### Metro Vancouver 2040: Shaping our Future (Metro 2040)

Metro Vancouver and its member jurisdictions have had a regional growth strategy since the 1990s. The current regional growth strategy, *Metro 2040*, was adopted in July 2011.



*Metro 2040* is the region's collective vision for how anticipated growth will be managed to support the creation of complete, connected and resilient communities, protect important lands and support the efficient provision of urban infrastructure like transit and utilities.

Metro Vancouver is updating *Metro 2040*, building on its strengths. The update is being undertaken to consider new drivers of change, integrate with the update to the Regional Transportation Strategy, and to implement policy improvements.

Metro Vancouver is committed to working in close collaboration with member jurisdictions, TransLink, the Province, adjacent regional districts, and other regional agencies throughout the update to *Metro 2040*. Through the collaborative process of updating the regional growth strategy, Metro Vancouver hopes to achieve:

- a renewed commitment to the regional vision and how that vision integrates with municipal planning;
- better integration between land use and transportation planning;
- better preparation for future uncertainties; and
- a series of more robust and updated policies to achieve the regional vision.

The updated strategy will be called *Metro Vancouver 2050: Shaping our Future*, and will be referred to as Metro 2050.

#### **Proposed consultation approach by audience**

The *Local Government Act* requires establishment and identified membership for an Intergovernmental Advisory Committee (IAC) to advise on the update, and facilitate coordination of relevant regional and Provincial regulations. Relevant sections of the *Local Government Act*, including the required membership of the Intergovernmental Advisory Committee, are included in Appendix 1. Metro Vancouver will use the Regional Planning Advisory Committee, including both member jurisdictions and associate members, as the foundation for the IAC, and will add additional representatives, including those identified by the Province to meet the legislated membership requirements.

In addition to the role of the Intergovernmental Advisory Committee, the Regional Planning Committee and Metro Vancouver Board will guide the development of Metro 2050. Where possible, Metro Vancouver will leverage other existing committees of staff and elected officials for engagement.

In addition, the *Local Government Act* section 434 includes that the relevant Regional District Board must consider whether the engagement plan will include a public hearing before the regional growth strategy is submitted for acceptance.

The table below lists the proposed engagement by audience.

Audience	Engagement Approaches
<b>Metro 2040 Signatories and Metro Vancouver Boards and Committees</b>	
<ul style="list-style-type: none"> <li>Member Jurisdictions (20 municipalities and one treaty first nation)</li> </ul>	<ul style="list-style-type: none"> <li>Targeted meetings, events and forums through Policy Reviews and Metro 2040 implementation</li> <li>Regional Planning Advisory Committee / Intergovernmental Advisory Committee</li> <li>Regional Transportation Advisory Committee</li> <li>Regional Administrators Advisory Committee</li> <li>Regional Planning Committee</li> <li>Metro Vancouver Board</li> <li>Council of Councils</li> <li>Presentations to member jurisdiction Councils</li> <li>Correspondence and referrals as per LGA</li> </ul>
<ul style="list-style-type: none"> <li>Fraser Valley Regional District and Squamish-Lillooet Regional District</li> </ul>	<ul style="list-style-type: none"> <li>Targeted meetings, events and forums through Policy Reviews and Metro 2040 implementation</li> <li>Regional Planning Advisory Committee / Intergovernmental Advisory Committee</li> <li>Presentations to Committees and Boards</li> <li>Correspondence and referrals as per LGA</li> </ul>
<ul style="list-style-type: none"> <li>South Coast British Columbia Transportation Authority (TransLink)</li> </ul>	<ul style="list-style-type: none"> <li>Targeted meetings, events and forums through Policy Reviews and Metro 2040 implementation</li> <li>Regional Planning Advisory Committee / Intergovernmental Advisory Committee</li> <li>Joint / coordinated approach to Transport 2050 development with Metro Vancouver participation in all levels of project governance</li> <li>Correspondence and referrals as per LGA</li> </ul>
<ul style="list-style-type: none"> <li>Metro Vancouver Boards and Committees</li> </ul>	<ul style="list-style-type: none"> <li>Regional Planning Committee<sup>1</sup></li> <li>MVRD Board (for plan adoption)</li> <li>GVS&amp;DD and GVWD (for information)</li> <li>Industrial Lands Strategy Task Force, Housing Committee, Parks Committee and Climate Action Committee (for information)</li> <li>Meetings and Workshops</li> <li>Staff will review the Board Strategic Planning process</li> </ul>

<sup>1</sup> The Regional Planning Committee's Terms of Reference include the development, implementation and monitoring of the regional growth strategy.

<ul style="list-style-type: none"> <li>• Metro Vancouver staff</li> </ul>	<ul style="list-style-type: none"> <li>• Targeted meetings, events and forums through Policy Reviews and Metro 2040 implementation</li> <li>• Corporate Planning Committee</li> <li>• Additional meetings or workshops as required for policy development / review</li> </ul>
<ul style="list-style-type: none"> <li>• Province of British Columbia</li> </ul>	<ul style="list-style-type: none"> <li>• Targeted meetings, events and forums through Policy Reviews and Metro 2040 implementation</li> <li>• Regional Planning Advisory Committee / Intergovernmental Advisory Committee</li> <li>• Potential for a cross-departmental meeting in Victoria</li> <li>• Correspondence and referrals as per LGA</li> </ul>
<b>First Nations</b>	
<ul style="list-style-type: none"> <li>• First Nation governments as per the BC Government's First Nations Consultative Areas Data Base</li> </ul>	<ul style="list-style-type: none"> <li>• Offer to meet individually with each First Nation to discuss Metro 2050</li> <li>• Utilize existing meetings between Metro Vancouver and First Nations to provide updates and discuss regional growth strategy issues of interest</li> <li>• Community to Community events</li> <li>• Correspondence and referrals</li> </ul>
<b>Non-signatory Stakeholders</b>	
<ul style="list-style-type: none"> <li>• Federal Government</li> </ul>	<ul style="list-style-type: none"> <li>• Targeted meetings, events and forums through Policy Reviews and Metro 2040 implementation</li> <li>• Regional Planning Advisory Committee / Intergovernmental Advisory Committee</li> <li>• Correspondence and referrals as per LGA</li> </ul>
<ul style="list-style-type: none"> <li>• Non-signatory but affected local governments (Bowen Island, Electoral Area A, specifically UEL/ UBC)</li> </ul>	<ul style="list-style-type: none"> <li>• Targeted meetings, events and forums through Policy Reviews and Metro 2040 implementation</li> <li>• Regional Planning Advisory Committee / Intergovernmental Advisory Committee</li> <li>• Correspondence and referrals as per LGA</li> </ul>
<ul style="list-style-type: none"> <li>• Regional agencies, including: Agricultural Land Commission, Vancouver Coastal Health, Fraser Health, Port of Vancouver, YVR BC Housing, Urban Freight Council, Gateway Council</li> </ul>	<ul style="list-style-type: none"> <li>• Targeted meetings, events and forums through Policy Reviews and Metro 2040 implementation</li> <li>• Regional Planning Advisory Committee Associates meetings (for Associate members)</li> <li>• Additional meetings or workshops as required for policy development / review</li> </ul>
<ul style="list-style-type: none"> <li>• School Districts</li> </ul>	<ul style="list-style-type: none"> <li>• Correspondence and referrals as per LGA</li> </ul>

<ul style="list-style-type: none"> <li>Other subject matter experts (e.g. Planning professionals, consultants, academics, NGOs)</li> </ul>	<ul style="list-style-type: none"> <li>Targeted engagement through key informant interviews and Policy Reviews</li> </ul>
<b>General Public</b>	
	<ul style="list-style-type: none"> <li>Vision, values and principles input through a public survey shared and promoted in partnership with TransLink as part of the development of Transport 2050</li> <li>Web-based information and feedback forms</li> <li>Social media</li> <li>Webinar(s)</li> <li>Sustainability Breakfast</li> <li>Presentations and meetings in response to requests</li> <li>Content in Metro Vancouver newsletters</li> <li>Regional Public Hearing</li> </ul>

#### **Aligning Metro 2050 engagement with other related public engagement processes**

In addition to the partnership with TransLink, Metro 2050 will leverage recent engagement processes and surveys. Key inputs will include the following:

- Metro Vancouver's *Climate 2050* and the related engagement for the Roadmap content
- The Regional Industrial Lands Strategy;
- Recent surveys including the two Shaping our Communities Engagement Initiative Surveys;
- Regional Affordable Housing Strategy;
- Integrated Air Quality and Greenhouse Gas Management Plan; and
- Metro Vancouver Board Strategic Plan

#### **Proposed consultation reporting and next steps**

To formally initiate the engagement process, written notification will be provided on behalf of the MVRD Board to all affected local governments.

The Intergovernmental Advisory Committee, Committees and Board will receive updates throughout the process. In addition to these updates, feedback gathered in this engagement process will be summarized and shared to the Intergovernmental Advisory Committee, Regional Planning Committees and MVRD Board.

# Metro 2050 Engagement Plan

June 2019

## Appendix: *Local Government Act* Requirements for Consultation

Based on a review of the *Local Government Act*, a major amendment to Metro 2040 triggers the same consultation requirements as a new regional growth strategy. The requirements are outlined in Section 434 and 450 of the *Local Government Act*. These sections outline requirements for consultation during the development of a regional growth strategy and for establishing an intergovernmental advisory committee. Excerpts are included below.

### ***Consultation during development of regional growth strategy***

*434 (1) During the development of a regional growth strategy,*

- a) the proposing board must provide opportunity for consultation with persons, organizations and authorities that the board considers will be affected by the regional growth strategy, and*
- b) the board and the affected local governments must make all reasonable efforts to reach agreement on a proposed regional growth strategy.*

*(2) For the purposes of subsection (1) (a), as soon as practicable after the initiation of a regional growth strategy, the board must adopt a consultation plan that, in the opinion of the board, provides opportunities for early and ongoing consultation with, at a minimum, the following:*

- a) its citizens;*
- b) affected local governments;*
- c) first nations;*
- d) boards of education, greater boards and improvement district boards;*
- e) the Provincial and federal governments and their agencies.*

*(3) In adopting a consultation plan under subsection (2), the board must consider whether the plan should include the holding of a public hearing to provide an opportunity for persons, organizations and authorities to make their views known before the regional growth strategy is submitted for acceptance under section 436 [acceptance by affected local governments].*

*(3.1) The minister may make regulations respecting the procedure to be used for hearings under subsection (3).*

*(4) A failure to comply with a consultation plan under subsection (2) does not invalidate the regional growth strategy as long as reasonable consultation has been conducted.*

*(5) For certainty, at any time during the development of a regional growth strategy, additional regional matters may be included under section 429 (3).*

### ***Intergovernmental advisory committees***

#### ***450 (1) A board***

- a) may establish an intergovernmental advisory committee for its regional district,*
- b) must establish an intergovernmental advisory committee for its regional district when a regional growth strategy is initiated, and*
- c) must establish an intergovernmental advisory committee for its regional district if*
  - i. there is a proposed amendment to the regional growth strategy, except in relation to an amendment under section 437 [minor amendments to regional growth strategies], and*
  - ii. the committee established under paragraph (a) or (b) of this subsection no longer exists.*

#### ***(2) The role of an intergovernmental advisory committee is***

- a) to advise the applicable local governments on the development and implementation of the regional growth strategy, and*
- b) to facilitate coordination of Provincial and local government actions, policies and programs as they relate to the development and implementation of the regional growth strategy.*

#### ***(3) The membership of an intergovernmental advisory committee is to include the following:***

- a) the planning director of the regional district, or another official appointed by the board;*
- b) the planning director, or another official appointed by the applicable council, of each municipality all or part of which is covered by the regional growth strategy;*
- c) for the purposes of an intergovernmental advisory committee established in the Metro Vancouver Regional District, the planning director of the South Coast British Columbia Transportation Authority or another official appointed by the board of directors of that authority;*
- d) senior representatives of the Provincial government and Provincial government agencies and corporations, determined by the minister after consultation with the board;*
- e) representatives of other authorities and organizations if invited to participate by the board.*

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To: Regional Planning Committee

From: Jessica Hayes, Planner, Regional Planning

Date: June 24, 2019

Meeting Date: July 5, 2019

Subject: **Housing Needs Reports – A Regional Approach**

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### **RECOMMENDATION**

That the MVRD Board receive for information the report dated June 24, 2019, titled “Housing Needs Reports – A Regional Approach”.

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### **PURPOSE**

To provide the MVRD Board with information about how the Regional Planning Division intends to support member jurisdictions in their completion of Housing Needs Reports, as required by recent updates to provincial legislation.

### **BACKGROUND**

In May 2018, new provincial legislation amended the *Local Government Act* and the *Vancouver Charter* establishing a requirement for local governments to complete Housing Needs Reports. The Housing Needs Reports are intended to strengthen the ability of local governments to understand and respond to the long-term, community-specific housing needs, and to ensure that local policies, plans, and development decisions are prepared based on recent documented data.

This report provides the Regional Planning Committee and Board with information regarding how the Regional Planning Division will support member jurisdictions in completing Housing Needs Reports with an aim to ensuring a consistent regional approach.

### **HOUSING NEEDS REPORTS REQUIREMENTS**

On April 16, 2019, the requirement to complete the Housing Needs Reports, and the timelines in which to complete them, was brought into force by enabling regulations. The legislation and associated regulations require that all local governments in BC:

- collect statistical information about current and projected population, household income, significant economic sectors, and currently available and anticipated housing units;
- identify current and projected housing needs for at least the next 5 years in a publicly-accessible report; and
- consider the most recent housing needs report when developing or amending community and regional plans going forward.

In the case of regional districts, Housing Needs Reports are required for any electoral area within a district (except for electoral areas with a population of less than 100).

Since the introduction of provincial legislation in May 2018, Metro Vancouver staff have been engaging member jurisdictions with regards to the Housing Needs Reports legislation through the Regional Planning Advisory Committee (RPAC) and the RPAC Housing Subcommittee to discuss options for a Metro Vancouver role that can best support member jurisdictions in meeting the Province's reporting requirements, and to ensure that the benefits of using a consistent regional approach to collecting and analyzing housing data are maximized.

The Ministry of Municipal Affairs and Housing published a *Guide to Requirements for Housing Needs Reports*, which lists the sources of data for each of the required information collection categories, most of which are expected to be provided through an online data catalogue being populated by the Province. Further, the Housing Needs Report Regulation outlines in detail the applicable definitions and minimum level of statistical information that local governments are required to collect about population, household income, and significant economic sectors for inclusion in the reports.

Staff have reviewed the required information and sources of data outlined in the Guide and have considered the complexity of obtaining each type of information, as well as the quality of each source of data identified by the Province. In some cases, Metro Vancouver has identified possible alternate or preferred sources of data. For example, to better align with the projections and data sources being utilized in the implementation and monitoring associated with the regional growth strategy, staff recommend that *Metro 2040* projections be used in place of BC Stats data when identifying anticipated 5-year household and population projections.

The Ministry of Municipal Affairs and Housing has confirmed that the sources of data identified in the *Guide to Requirements for Housing Needs Reports* and the Housing Needs Report Regulation are not prescriptive. Rather, certain sources of data have been identified and will be provided as a baseline via the Province's online data catalogue to assist local governments across the province that have limited capacities to access and collect data. The provincial dataset does not preclude the use of supplementary or alternative data sources that a local government or regional district may have available, or deem more complete or more useful in their analyses.

### **Components of the Housing Needs Reports**

There are two key components of the Housing Needs Reports:

1. Part 1: Information Collection (Data collection)
2. Part 2: Report Content (Based on analysis of the required information collected in Part 1)

Part 1 of the Housing Needs Reports is a data collection exercise requiring that local governments collect approximately 50 distinct kinds of data that will act as a baseline for determining current and projected housing needs.

Part 2 is intended to communicate the key findings based on an analysis of the required information collected in Part 1 of the reports. This includes the estimated number of units currently needed and anticipated (over the following 5 years) in each community, by type (i.e. number of bedrooms); the number of households in core housing need and extreme core housing need; and a narrative describing the current and anticipated key areas of local need (for affordable housing, rental housing,



special needs housing, seniors housing, family housing, and shelters and housing for those at risk or experiencing homelessness).

### **Funding**

The Ministry of Municipal Affairs and Housing has confirmed \$5 million in funding over the next three years to support local governments in completing the Housing Needs Reports. The funding program is being administered by UBCM, and funding maximums are determined based on the net population of a municipality / Electoral Area (see Table 1). Funding requests for a combination of jurisdictions can be submitted as a single application for funding. The total funding request for regional projects cannot exceed \$150,000.

**Table 1: Housing Needs Reports Program: Funding Maximums**

<b>Population</b>	<b>Funding Maximum</b>
Under 5,000	\$15,000
5,000 to 14,999	\$20,000
15,000 to 49,999	\$30,000
50,000 to 99,999	\$50,000
100,000 or greater	\$70,000

The first application deadline for funding was May 31, 2019, and there will be a second intake closing on November 29, 2019. Eligible applicants can submit one application per intake (including as a partnering local government in a regional application); however, each planning area can only be funded once over the full span of the program.

### **SUPPORTING MEMBERS JURISDICTIONS THROUGH DATA PROVISION**

The Regional Planning Division of Metro Vancouver delivers a number of core services, one of which is data acquisition, analysis and communication, including the development of population, housing, and employment projections to advance the goals of *Metro 2040*, and to support planning and decision making throughout the region. In addition, Regional Planning prepares Housing Demand Estimates for the region and for municipalities, which are intended to provide an assessment of future housing demand and assist local planning exercises.

In this respect, the preparation of Housing Needs Reports on behalf of member jurisdictions would be in keeping with the core services that Regional Planning already provides, and is aligned with the Division's commitment to acting as a regional planning and data resource. At the May 17 and June 21, 2019 Regional Planning Advisory Committee (RPAC) meetings, members considered and discussed a regionally supported approach to completing Housing Needs Reports in Metro Vancouver.

RPAC passed the following resolution at its June 21, 2019 meeting:

*That the Regional Planning Advisory Committee support the proposed regional approach to completing Housing Needs Reports, as presented in the report dated June 5, 2019 titled "Update on a Regional Approach to Preparing Housing Needs Reports".*

The regional approach referred to in the RPAC report is as follows:

1. Metro Vancouver collects and prepares Part 1 of the Housing Needs Reports (i.e. providing the minimum required information for inclusion in the Reports) as a service to member jurisdictions and as an extension of the data collection and dissemination role Metro Vancouver currently plays in the creation and maintenance of the Housing Demand Estimates and *Metro 2040* performance monitoring. This would be undertaken in time for member jurisdictions to meet the first report deadline of April 2022, and every five years thereafter. This would exclude any information identified as “if available” by the Regulation, unless that information is readily available for all or most of Metro Vancouver’s member jurisdictions (e.g. the number of individuals experiencing homelessness).
2. Metro Vancouver provides the information required in Part 1 to member jurisdictions, in the format prescribed by the Regulation.
3. Member jurisdictions then individually prepare the required Part 2 report content to supplement the data provided by Metro Vancouver. This may include additional research or local community engagement activities to enhance the report and better reflect local plans and contexts.
4. Member jurisdictions finalize the Housing Needs Reports, receiving Parts 1 and 2 by Council resolution at a meeting that is open to the public, and publishing the reports online for public access, to meet the requirements of the Regulation.

Given the municipality-specific and likely sensitive policy and aspirational nature of the content of Part 2 of the Housing Needs Reports, Regional Planning staff recommended to RPAC that the preparation of that portion of the reports be left to the respective member jurisdictions, but that if of interest, Metro Vancouver could assist with developing a methodology to ensure the use of common regional assumptions in Part 2.

It should be noted that if some jurisdictions wish to work with Metro Vancouver on any approach, while others choose not to, it would not preclude Metro Vancouver from still providing the regional approach to housing data collection and sharing as outlined above.

Regional Planning staff wished to provide an update to the Regional Planning Committee on the role that Metro Vancouver intends to play in support of member jurisdictions’ requirement to complete Housing Needs Reports.

#### **ALTERNATIVES**

As this is an information report, no alternatives are provided.

#### **FINANCIAL IMPLICATIONS**

There are no financial impacts to this report. Regional Planning can accommodate the provision of the information required by Part 1 of the Housing Needs Report Regulation as part of its core services and within its existing resources and budget.

Metro Vancouver’s role in collecting data for Part 1 of the Housing Needs Reports and providing it to member jurisdictions does not impact a member’s ability to apply for available provincial funding

support as described above. However, the funding application should clearly outline the Eligible Costs and Activities being applied for, and exclude from its scope, any activity that Metro Vancouver will complete on behalf of the local planning area. Metro Vancouver does not intend to apply for regional funding for the completion of the Electoral Area A Housing Needs Report, nor on behalf of its member jurisdictions.

### **SUMMARY / CONCLUSION**

In May 2018, new legislation was introduced in BC requiring that local governments collect and analyze data and prepare Housing Needs Reports every five years describing their current and anticipated housing needs. On April 16, 2019, the legislation was brought into force by enabling regulations, and the intake opened for the first round of funding to support the completion of the work.

As a regional district with an established function to acquire and compile regional data, Metro Vancouver already disseminates data products such as the regional Housing Demand Estimates and housing projections as a service to its member jurisdictions. The provision of data as required by Part 1 of the Housing Needs Reports is an extension of the existing core services provided by the Regional Planning Division. Metro Vancouver is therefore well-positioned to provide a service that would support member jurisdictions as they work to fulfill the provincial Housing Needs Reports requirement, create efficiencies of cost and effort, and ensure a consistent approach to data collection and reporting across the region.

### **References**

1. [Local Government Statutes \(Housing Needs Reports\) Amendment Act, 2018, S.B.C 2018, c.20](#)
2. [Housing Needs Report Regulation \(OIC, Order-in-Council 205\)](#)
3. [Vancouver Housing Needs Report Regulation \(OIC, Order-in-Council 206\)](#)
4. [Guide to Requirements for Housing Needs Reports](#)
5. [Housing Needs Reports – 2019 Funding Program & Application Guide, UBCM](#)

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To: Regional Planning Committee

From: Theresa Duynstee, Senior Planner, Regional Planning

Date: June 21, 2019 Meeting Date: July 5, 2019

Subject: **2019 Agriculture Awareness Grant Recommendations**

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**RECOMMENDATION**

That the MVRD Board award the 2019 Agriculture Awareness Grants to the following thirteen non-profit organizations:

- i. BC Agriculture in the Classroom Foundation, for the “Take a Bite of BC” project in the amount of \$6,000;
- ii. BC Chicken Grower’s Association, for the “Poultry in Motion Educational Mini Barn” project in the amount of \$4,000;
- iii. Delta Farmland & Wildlife Trust, for the “Day at the Farm” event in the amount of \$2,000;
- iv. DRS Earthwise Society, for the “Tomato Festival” in the amount of \$2,000;
- v. FarmFolk CityFolk, for “Climate and Food Story Series” in the amount of \$4,500;
- vi. Growing Chefs Society, for “Classroom Gardening and Cooking Program” in the amount of \$5,000;
- vii. Haney Farmers Market Society, for “The Market Goes to the Farm” event in the amount of \$500;
- viii. Langley Environmental Partners Society, for the “Langley Eats Local” project in the amount of \$4,000;
- ix. Maple Ridge Agricultural Advisory Committee, for the “Booth-in-a-Box” display at in the amount of \$2,250;
- x. North Shore Neighbourhood House, for the “Edible Garden Seed Saving Project” in the amount of \$5,750;
- xi. Public Health Association of BC, for the “Farm to School BC Learning Circles: Growers to Sowers” in the amount of \$3,000;
- xii. The Sharing Farm, for the “10<sup>th</sup> Annual Garlic Festival” in the amount of \$3,000; and
- xiii. Vancouver Urban Farming Society, for the “8<sup>th</sup> Annual Urban Farming Forum” in the amount of \$3,000.

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**PURPOSE**

This report provides recommendations to award a total of \$45,000 in Agriculture Awareness Grants to thirteen non-profit organizations in 2019 for MVRD Board approval.

**BACKGROUND**

Each year, Metro Vancouver provides Agricultural Awareness grants to non-profit organizations. There is an annual intake and evaluation process, described below. This report provides an overview of the 2019 applications, evaluation and recommended recipients for Committee and Board consideration.

### **Metro Vancouver's Agriculture Awareness Grants**

Metro Vancouver has been involved in agriculture awareness activities since 1994 and started providing grants to non-profit organizations in 2008. On January 15, 2019, over 50 agricultural-related organizations, community groups and municipal staff liaisons were notified about Metro Vancouver's Agriculture Awareness grants with an invitation to submit an application available on the Metro Vancouver website.

The number of applications and grants awarded over the past ten years is listed in Table 1. A description of previous grant recipients is available on the Metro Vancouver website.

**Table 1: Metro Vancouver Agriculture Awareness Grant Program 2008 to 2018**

<b>Year</b>	<b>Number of Applications</b>	<b>Number of Grants Awarded</b>	<b>Grant Dollars Awarded</b>
2008	11	3	\$25,000
2009	14	5	\$25,000
2010	14	7	\$30,000
2011	12	9	\$35,000
2012	27	8	\$35,000
2013	13	9	\$40,000
2014	15	11	\$40,000
2015	14	11	\$40,000
2016	12	11	\$40,000
2017	21	13	\$40,000
2018	24	12	\$40,000
<b>TOTAL</b>	<b>153</b>	<b>87</b>	<b>\$390,000</b>

### **Grant Application Evaluation Criteria**

On November 24, 2017, the Metro Vancouver Regional District (MVRD) Board approved revised evaluation criteria based on recommendations from the AAC.

The mandatory requirements for agriculture awareness projects receiving a grant are:

- a) have a regional scope (impacting more than one municipality);
- b) be located in Metro Vancouver;
- c) be administered by a non-profit organization in good standing; and
- d) have matching funding (dollars or in-kind) from another organization.

The six revised evaluation criteria and basis for scoring include the following:

1. The agriculture awareness activity is unique. A high score will be given to awareness activities that are one of a kind in the region and are currently not being done by another organization in Metro Vancouver.
2. The geographic scope of the grants awarded reaches out to municipalities across the region. A high score will be awarded to projects that provide a broad reach in Metro Vancouver or are targeting areas that are currently not well served by agriculture awareness activities.

3. The activity reaches out to culturally diverse audiences, urban residents, youth or K-12 school children. A high score will be awarded when these audiences are targeted in the awareness activity.
4. The activity contributes to the following desirable outcomes that support regional policy objectives, where a high score is awarded when the agriculture awareness activity aligns with two or more of the regional policy objectives.
  - Educates residents about local food production;
  - Enhances food literacy and skills in schools;
  - Communicates how food choices support the local economy;
  - Supports the next generation of food producers; and
  - Involves community gatherings that educate residents about local food.
5. The grant request is in the range of \$500 to \$6,000. A higher score will be awarded if the Metro Vancouver cash contribution is greater than 20% of the total cash budget, so that projects that may have a greater financial need are prioritized.
6. The extent grant applications previously completed the Agriculture Awareness Grant required conditions listed on the application form. Groups that have not previously received a grant would automatically score high, while the previous grant recipients would be scored based on past compliance with the five conditions.

Fifteen Agriculture Awareness Grant applications were submitted to Metro Vancouver by the March 18 deadline. On April 29, 2019, two members of the Agricultural Advisory Committee and Metro Vancouver staff evaluated the fifteen applications submitted based on the above evaluation criteria. The average score from the evaluators determined the final score and ranking, and ultimately the recommendations for awarding grants. As in previous years, several grant requests were reduced to enable more projects to be funded and ensure that funding could be spread out across the region.

A list of all the grant applications submitted and the recommended grant is provided in Table 2. A summary description of each application is provided in the Attachment 1. The grants enable the continuation of successful educational programs and community agriculture-related events in 2019. A list of the agriculture awareness activities and events to be supported by the awareness grants in 2019 is provided in Attachment 2.

**Table 2: 2019 Recommended Agriculture Awareness Grants**

#	LEAD ORGANIZATION	PROJECT	GRANT REQUEST	RECOMMENDED GRANT
1	BC Agriculture in the Classroom Foundation	Take a Bite of BC	\$7,000	\$6,000
2	BC Chicken Growers' Association	Poultry in Motion™ Educational Mini Barn	\$6,000	\$4,000
3	BC Farm Writers Association	2019 Canadian Farm Writers Conference	\$5,553	
4	Centre for Sustainable Food Systems at UBC Farm	Building Capacity and Resources for Agriculture and Food Systems Education	\$3,765	
5	Delta Farmland & Wildlife Trust	Day at the Farm	\$4,500	\$2,000
6	DRS Earthwise Society	Tomato Festival	\$2,500	\$2,000
7	FarmFolk CityFolk	Citizen Seed Trial	\$6,000	\$4,500
8	Growing Chefs Society	Classroom Gardening and Cooking Program	\$6,000	\$5,000
9	Haney Farmers Market Society	The Market Goes to the Farm	\$500	\$500
10	Langley Environmental Partners Society	Langley Eats Local	\$5,000	\$4,000
11	Maple Ridge Agriculture Advisory Committee	Booth-in-a-Box	\$2,250	\$2,250
12	North Shore Neighbourhood House	Edible Garden Seed Saving Project	\$6,000	\$5,750
13	Public Health Association of BC	Farm to School BC Learning Circles: Growers to Sowers	\$3,000	\$3,000
14	The Sharing Farm	10 <sup>th</sup> Annual Garlic Festival	\$3,000	\$3,000
15	Vancouver Urban Farming Society	8 <sup>th</sup> Annual Urban Farming Forum	\$5,000	\$3,000
<b>TOTAL</b>			<b>\$66,068</b>	<b>\$45,000</b>

## **ALTERNATIVES**

1. That the MVRD Board award the 2019 Agriculture Awareness Grants to the following thirteen non-profit organizations:
  - i. BC Agriculture in the Classroom Foundation, for the “Take a Bite of BC” project in the amount of \$6,000;
  - ii. BC Chicken Grower’s Association, for the “Poultry in Motion Educational Mini Barn” project in the amount of \$4,000;
  - iii. Delta Farmland & Wildlife Trust, for the “Day at the Farm” event in the amount of \$2,000;
  - iv. DRS Earthwise Society, for the “Tomato Festival” in the amount of \$2,000;
  - v. FarmFolk CityFolk, for “Climate and Food Story Series” in the amount of \$4,500;
  - vi. Growing Chefs Society, for “Classroom Gardening and Cooking Program” in the amount of \$5,000;
  - vii. Haney Farmers Market Society, for “The Market Goes to the Farm” event in the amount of \$500;
  - viii. Langley Environmental Partners Society, for the “Langley Eats Local” project in the amount of \$4,000;
  - ix. Maple Ridge Agricultural Advisory Committee, for the “Booth-in-a-Box” display at in the amount of \$2,250;
  - x. North Shore Neighbourhood House, for the “Edible Garden Seed Saving Project” in the amount of \$5,750;
  - xi. Public Health Association of BC, for the “Farm to School BC Learning Circles: Growers to Sowers” in the amount of \$3,000;
  - xii. The Sharing Farm, for the “10<sup>th</sup> Annual Garlic Festival” in the amount of \$3,000; and
  - xiii. Vancouver Urban Farming Society, for the “8<sup>th</sup> Annual Urban Farming Forum” in the amount of \$3,000.
2. That the MVRD Board receive for information the report dated June 13, 2019, titled “2019 Agriculture Awareness Grant Recommendations” and provide alternative direction to staff.

## **FINANCIAL IMPLICATIONS**

The \$45,000 funding for the Agriculture Awareness Grants forms part of the 2019 Metro Vancouver Board approved budget for Regional Planning.

## **SUMMARY / CONCLUSION**

This year, Metro Vancouver received fifteen applications for Agriculture Awareness Grants. Based on the evaluation conducted by AAC members and staff, thirteen non-profit organizations are recommended to receive grants, totaling \$45,000. The grants enable the continuation of successful educational programs and community agriculture-related events in 2019. Staff recommend Alternative 1.

## **Attachments:**

1. 2019 Agriculture Awareness Grant Applications
2. 2019 Agriculture Awareness Activities in Metro Vancouver



Description of the 2019 Agriculture Awareness Grant Applications

#	NON-PROFIT GROUP	PROJECT TITLE	GRANT REQUEST	TOTAL BUDGET	PROJECT DESCRIPTION
1	BC Agriculture in the Classroom	Take a Bite of BC	\$7,000	\$193,049	Since 2009, Take a Bite of BC has provided fresh BC products to Culinary Arts Secondary School teaching kitchens through generous donations by food producers and farm organizations. The culinary students' gain experience with local food and the results are offered in the high school cafeteria. In the upcoming 2019-2020 school year, 30 Metro Vancouver high schools are enrolled in the program and students will receive info sheets with a map on each agricultural product.
2	BC Chicken Growers' Association	Poultry in Motion™ Educational Mini Barn	\$6,000	\$137,000	The Poultry in Motion Educational Mini Barn is a fully operational mini barn with live birds at different ages (day old chicks, broiler chickens and parent stock) that educates the children and the public about chicken production, food safety, animal care and bio-security. The grant enables the Mini Barn exhibit to participate at community events, agricultural fairs and schools at no charge. The exhibit will visit 80 elementary and secondary schools during the 2019-2020 school year.
3	BC Farm Writers	2019 Canadian Farm Writers Conference	\$5,553	\$13,236	BC Farm Writers is hosting the national Canadian Farm Writers Conference in 2019 and have chosen Metro Vancouver as the host region. About 125 Canadian farm writers, journalists, free lancers, and communication officers will tour some of the best venues and hear some of the best stories about agriculture in Metro Vancouver. Their tour stops include agricultural operations as well as riparian and wetland areas of Metro Vancouver.
4	Centre for Sustainable Food Systems at UBC Farm	Building Capacity and Resources for Agriculture and Food Systems Education	\$3,765	\$13,435	This project will build capacity and resources for agriculture and food systems education through supporting the Think&EatGreen@School Summer Institute for K-12 educators, and through the development of research briefs which will serve as enduring resources that educators and the general public can access through the BC Food Web.
5	Delta Farmland & Wildlife Trust	Day at the Farm	\$4,500	\$36,200	Day at the Farm is an annual outreach event held on September 7, 2019 at the Westham Island Herb Farm. The event provides residents an opportunity to connect directly with local farmers, learn about the diversity of agriculture and the critical role of farms in providing habitat for resident and migratory birds in the Fraser River delta. The event hosts multiple interactive activities and hands-on educational exhibits including a vegetable dig, cattle roping and farmer led hay-wagon tours.
6	DRS Earthwise Society	Tomato Festival	\$2,500	\$6,000	Tomato Fest (September 7, 2019) displays over 30 varieties of heirloom tomatoes and provides information about the history, cooking and tasting qualities of each. Guests can sample and purchase their favourites. The public is also educated about growing vegetables sustainably in our region and the importance of building healthy soil for all crops. Each year, chefs draw attention to restaurants whose policies support local farmers and the value of the farm to table experience. As a result, the festival builds long-lasting community relationships and appeals to a diverse audience.
7	Farm Folk City Folk	Climate and Food Story Series	\$6,000	\$28,000	The Climate and Food Story Series seeks to put the powerful role food production plays in exacerbating or alleviating greenhouse gas emissions in a way that relates to lay audiences. The issues underpinning the food-agriculture-climate change relationship will be presented from an eaters-eye-view going from plate to seed in a story series that presents current research and best practices in a way that is accessible, engaging and action-oriented to culturally diverse and urban audiences.
8	Growing Chefs Society	Classroom Gardening & Cooking Program	\$6,000	\$34,615	The Program gives students hands-on experience growing and cooking food by pairing chefs, growers, and community members with elementary schools—Grades 1-7. The chef volunteers help the students plant indoor windowsill gardens of fast-growing vegetables (e.g. beans, peas, beets, lettuce) and over 3 1/2 months, the students learn about local agriculture, plant growth, vegetable exploration, food systems, composting, cooking, and nutrition through a comprehensive lesson plans and educational materials developed by Growing Chefs!

#	NON-PROFIT GROUP	PROJECT TITLE	GRANT REQUEST	TOTAL BUDGET	PROJECT DESCRIPTION
9	<b>Haney Farmers Market Society</b>	Haney Farmers Market Goes to a Farm	\$500	\$1,500	With the support of the City of Maple Ridge and Vancity Branch 29, the entire farmers' market is moved from its downtown location to Brookfield Farm for a day (August 10, 2019). Residents have an opportunity to meet the farmer and learn about their farm production including interactive displays by the local 4-H club. Visitors can ride to the barn to see livestock and learn from youth targeted displays and demonstrations.
10	<b>Langley Environmental Partners Society (LEPS)</b>	Langley Eats Local	\$5,000	\$62,700	Langley Eats Local delivers interactive learning experiences to school children and the public. The activities show where food comes from and encourages citizens to grow their own vegetables and support local farmers in Langley, the Lower Mainland and BC. Since inception of this project, over 20,000 citizens have participated in agriculture awareness and local food education in a fun and engaging manner.
11	<b>Maple Ridge Agricultural Advisory Committee</b>	Booth-in-a-Box	\$2,250	\$11,000	The AAC aims to create a number of promotional materials that can be easily accessed and used at a variety of local events. Materials (banners, retractable banners, table covers, posters, pop-up tent) would be developed to promote the value of local farms to the local economy. The booth will be used at the community events such as the Haney Farmers Market, Earth Day events, Country Fest, the Caribbean Festival, and Golden Harvest Festival.
12	<b>North Shore Neighbourhood House</b>	Edible Garden Seed Saving Project (EGSSP)	\$6,000	\$28,112	The EGSSP seeks to educate students, adults and seniors about the importance of sustainable food production and the role of seed saving in local food systems, adaptation to climate change, and Indigenous communities. The project will increase the practical food growing and seed saving skills and knowledge in the North Shore community through hands-on activities and training at the Loutet Farm.
13	<b>Public Health Association</b>	Farm to School BC Learning Circles: Grower to Sowers	\$3,000	\$6,000	Teachers often lack the knowledge, skills and resources to confidently promote and educate their students about food and agriculture related topics. This project will provide professional development opportunities to teachers to support their food literacy and school food programs including visits to urban/peri-urban farms in the region. This series will connect "Growers" (farmers, harvesters, and other food producers) with "Sowers" (teachers who are responsible for sowing seeds of knowledge and enthusiasm for food and agriculture in their classrooms).
14	<b>The Sharing Farm</b>	11th Annual Garlic Festival	\$3,000	\$10,000	The Garlic Festival is fund raising event for the Sharing Farm, an organization that provides fresh local organic produce for low-income families. In its 11th year of celebrating local and sustainable agriculture, the event will also include live raptor flying demonstrations and environmental exhibits. All aspects of the festival adhere to the ideals of minimal waste, climate conscious messaging, and working towards all families achieving healthy sustainable lifestyles. The importance of family meals is expanded to include community sustainability.
15	<b>Vancouver Urban Farming Society</b>	8th Annual Urban Farming Forum	\$5,000	\$18,350	The 8th Vancouver Urban Farming Forum will take place in February 2020 and host speakers and panelists from the farming, food security, food industry, academia and policymaking sectors. Drawing over 150+ attendees from across Metro Vancouver, the forum brings together urban farmers, future farmers, youth, students, policymakers, food security advocates and the public to discuss urban farming, land use, municipal policy, business development, government resources, best practices and create a vision for urban farming in the region.
		<b>TOTAL</b>	<b>\$66,068</b>	<b>\$599,197</b>	

## 2019 Agriculture Awareness Activities in Metro Vancouver

DATE	AGRICULTURE ACTIVITY	HOST ORGANIZATION	LOCATION
August 10, 2019	The Market Goes to the Farm	<a href="#">Haney Farmers Market Society</a>	Brooksfield Farm, 20981- 123 Ave, Maple Ridge
August 18, 2019	<a href="#">11th Annual Garlic Festival</a>	The Sharing Farm Society	Terra Nova Rural Park, 2771 Westminster Hwy Richmond
September 7, 2019	Tomato Festival	<a href="#">Earthwise Society</a>	6400 3rd Avenue, (near Centennial Beach), Tsawwassen
September 7, 2019	<a href="#">A Day at the Farm</a>	Delta Farmland & Wildlife Trust	Westham Island Herb Farm, 4690 Kirkland Road, Ladner
Various dates and locations	<a href="#">Take a Bit of BC</a>	BC Agriculture in the Classroom	Secondary schools across Metro Vancouver
Various dates and locations	<a href="#">Poultry in Motion™ Educational Mini Barn</a>	BC Chicken Growers' Association	Cloverdale Rodeo, Country Fest, PNE, Cranberry Festival & schools
Various dates	<a href="#">Community Workshops</a>	Langley Environmental Partners Society	Langley Demonstration Garden, Derek Doubleday Arboretum 21200 block Fraser Highway
Various dates	Booth-in-a-Box	Maple Ridge Agricultural Advisory Committee	The booth will be used at the community events such as the Haney Farmers Market, Earth Day events, Country Fest, the Caribbean Festival, and Golden Harvest Festival
Various dates	<a href="#">Edible Garden Education Program</a>	North Shore Neighbourhood House	Loutet Farm, 1400 Rufus Ave., North Vancouver

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To: MVRD Board of Directors

From: Mayors Committee

Date: July 5, 2019

Meeting Date: July 26, 2019

Subject: **Collaborative Regional Flood Management Strategy**

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#### **MAYORS COMMITTEE RECOMMENDATION**

That the MVRD Board:

- a) endorse a collaborative approach for the Fraser Basin Council's Lower Mainland Flood Management Strategy between all levels of government in the lower mainland and request that the Fraser Basin Council share the Flood Management Strategy with the Integrated Partnership for Regional Emergency Management (IPREM); and
  - b) refer the strategy to Metro Vancouver staff to review Metro Vancouver's potential role under the Lower Mainland Flood Management Strategy.
- 

At its July 5, 2019 meeting, the Mayors Committee received a presentation from Steve Litke, Senior Program Manager, Fraser Basin Council and Samantha Maki, Director, Engineering and Operations, City of Pitt Meadows, regarding the Fraser Basin Council's Lower Mainland Flood Management Strategy and a regional approach to flood management. The Committee subsequently passed the recommendation as presented above.

30353672 FINAL

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To: Regional Parks Committee

From: David Leavers, Division Manager, Visitor and Operations Services, Regional Parks

Date: June 3, 2019 Meeting Date: July 10, 2019

Subject: **Boundary Bay Park Association Contribution Agreement**

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**RECOMMENDATION**

That the MVRD Board approve the Contribution Agreement between the Metro Vancouver Regional District and the Boundary Bay Park Association for a one-year term in the amount of \$7,000, commencing January 1, 2020 and ending December 31, 2020.

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**PURPOSE**

To seek MVRD Board approval to enter into a one-year contribution agreement with the Boundary Bay Park Association (Attachment).

**BACKGROUND**

This report has been prepared to renew the contribution agreement with the Boundary Bay Park Association that expires on December 31, 2019. The MVRD and the Boundary Bay Park Association first entered into an agreement in 2016. In 2019, the Boundary Bay Park Association received \$10,000 in funding. The Boundary Bay Park Association utilizes Metro Vancouver funding to provide a level of coordination for the park association, and to provide capacity to serve the people and communities it reaches through its initiatives. The range of key deliverables includes:

- enabling the volunteer Board of Directors to achieve broader MVRD outcomes;
- coordinating volunteer work parties;
- managing volunteers;
- providing administrative support to its Board, including record keeping as appropriate;
- coordinating society communications with Board, committees, society members, volunteers, MVRD staff, public, and parks association partner groups;
- coordinating and/or conducting outreach, including social media, displays and booths to increase community awareness;
- coordinating and support events;
- coordinating and supporting fundraising; and
- coordinating programs that include MVRD messaging.

**PARK PARTNERSHIP PROGRAM**

Regional Parks manage dedicated funds for capacity-building and support for park associations active in regional parks as part of a broader Park Partnership Program. The type and scope of programs and services vary among park associations based on the association's goals. Past funding of these associations has reflected the proposed use of funds, demonstration of need, and previous performance assessments.

## **CONTRIBUTION AGREEMENT**

The contribution agreement states that the primary purpose for this funding is to provide a level of coordination for the park association, and to provide capacity to serve the people and communities it reaches through its initiatives.

The Boundary Bay Park Association has fulfilled its prior year reporting requirements. The Boundary Bay Park Association will submit an annual report to MVRD at the conclusion of this proposed contribution agreement. The Association's 2018 Annual Report is available for review upon request.

### **Term**

- The term of the proposed agreement commences January 1, 2020, and ends on December 31, 2020.
- There is a provision in the agreement for early termination in the event of bankruptcy, if the funds are being used in a manner contrary to the agreement or not in the public interest, or the park association is unable to meet its agreed obligations.

### **Activities and Services**

In 2018, the Boundary Bay Park Association:

- contributed in excess of 750 volunteer hours; and
- delivered more than 30 activities including stewardship projects and park interpretation and education programs to over 420 attendees.

It is proposed that 2020 funds will be used to secure a volunteer coordinator to facilitate volunteer work parties for its growing focus on stewardship initiatives including invasive plant removal and natural plant species enhancement. The coordinator will also plan and organize new projects including nest box implementation.

## **ALTERNATIVES**

1. That the MVRD Board approve the Contribution Agreement between the Metro Vancouver Regional District and the Boundary Bay Park Association for a one-year term in the amount of \$7,000, commencing January 1, 2020 and ending December 31, 2020.
2. That the MVRD Board receive for information the report dated June 3, 2019, titled "Boundary Bay Park Association Contribution Agreement" and provide alternate direction to staff.

## **FINANCIAL IMPLICATIONS**

The 2018 - 2022 Metro Vancouver Regional Parks 5-year financial plan included an \$83,000 annual allocation in 2020 for capacity-building support for park associations active in regional parks as part of a broader Park Partnership Program. Funding is to be used to support opportunities for citizens to help preserve, protect and enhance regional parks while advocating for greater public connectivity to nature.

This contribution agreement proposes a one-year funding amount of \$7,000 to the Boundary Bay Park Association. If the MVRD Board approves Alternative 1, the 2020 Regional Parks budget will continue to include a provision for this funding as a portion of the overall \$83,000 annual budget.

**Table A – 2020 Allocations**

Boundary Bay	\$ 7,000
Burnaby Lake	\$13,000
Colony Farm	\$ 5,000
Derby Reach / Brae Island	\$15,000
KEEPS	\$15,000
Minnekhada	\$13,000
Pacific Spirit	\$15,000
<b>TOTAL</b>	<b>\$83,000</b>

Payment to the Boundary Bay Park Association will be made by January 31, 2020.

**SUMMARY / CONCLUSION**

Alternative 1 meets Metro Vancouver's requirements for the provision of contribution funds to the Boundary Bay Park Association. Proposed funding supports the Boundary Bay Park Association capacity to provide community benefit to Metro Vancouver Regional Parks through their many volunteer programs and services. Staff recommends approval of Alternative 1.

**Attachment**

Contribution Agreement – Boundary Bay Park Association (29470625)

29470625

**CONTRIBUTION AGREEMENT**

THIS AGREEMENT made the \_\_\_\_ day of \_\_\_\_\_, 2019

BETWEEN:

**METRO VANCOUVER REGIONAL DISTRICT**

4730 Kingsway  
Burnaby, BC  
V5H 0C6

("MVRD")

AND:

**BOUNDARY BAY PARK ASSOCIATION**

c/o 5763 17A Avenue  
Delta, BC  
V4L 1J3

(the "Recipient")

**WHEREAS:**

- A. The Recipient is a non-profit society. The purpose of the society (association) are to promote community awareness, appreciation, understanding and enjoyment of Boundary Bay Regional Park while preserving and enhancing the natural and historical features. In particular, the society will, in partnership with Metro Vancouver:
- Encourage understanding and appreciation of the natural and historical features of Boundary Bay Regional Park through interpretive, educational and other informational programs;
  - Encourage understanding and appreciation of the natural and historical features of Boundary Bay Regional Park through sponsoring activities of interest to the community;
  - Promote recreational activities that are compatible with overall goals of safe guarding and enhancing the natural and historical features of the park;
  - Advance region-wide stewardship and enjoyment of the broad range of natural and human-made resources of Boundary Bay Regional Park while being sensitive to the concerns of the neighbours of the park;
  - Develop site-specific input and recommendations for the Boundary Bay Regional Park as well as advice about system-wide policies and practices that may affect Boundary Bay Regional Park;
  - Assist individual users, community groups, agencies and Metro Vancouver in achieving mutually beneficial and compatible goals; and
  - Maintain a broadly-based, inclusive society, with a representative executive that will actively advance mission objectives.



- B. The Recipient has requested to receive, and the MVRD has agreed to provide funds to the Recipient for a purpose beneficial to the community or an aspect of the community; and
- C. Section 176(1) (c) of the *Local Government Act* provides that the MVRD may provide assistance for the purpose of benefitting the community or any aspect of the community.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises, terms and conditions to be hereinafter contained (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree each with the other as follows:

## **1.0 INTERPRETATION**

In this Agreement the following terms have the following meanings:

**“Agreement”** means this agreement and the appended schedules.

**“Plan”** means the plan set out in Schedule A of the Agreement which sets out the specific purpose or activities for which the Recipient may use the funds provided to the Recipient under this Agreement.

**“Services”** means any activities or services set out in the Plan.

## **2.0 TERM**

The term of this Agreement will commence on January 1, 2020, and end on December 31, 2020, (the **“Term”**) unless otherwise terminated as provided herein.

## **3.0 SERVICES**

- 3.1 The Recipient shall only use the funds provided in accordance with Article 4.0 (the **“Funds”**) to provide Services in accordance with the terms and conditions of this Agreement.
- 3.2 The Recipient shall, at the MVRD’s written request, provide all information required to enable the MVRD to evaluate, using the criteria set out in Schedule B, the Recipient’s provision of the Services.
- 3.3 The Recipient will provide the Services under the terms of the Agreement subject to any applicable bylaws of the MVRD and local municipality, and applicable legislation and regulations and in a manner consistent with any applicable guidelines provided by the MVRD.
- 3.4 MVRD must approve any changes to the Plan or Services in writing prior to the changes being made during the Term.
- 3.5 If the Recipient makes changes without the prior approval of the MVRD pursuant to section 3.4, the MVRD may, at its sole discretion, withdraw the Funds and immediately terminate the Agreement.

#### **4.0 FUNDING AND PAYMENT**

- 4.1 MVRD has agreed to provide the Funds to support the Recipient's provision of the Services, in accordance with section 4.3.
- 4.2 The payment of Funds is subject to the MVRD being satisfied that the Recipient will perform the Services in accordance with the Plan and all requirements under the Agreement.
- 4.3 MVRD shall pay by cheque or ETF the sum of \$7,000 for the provision of the Services by January 31, 2020.

#### **5.0 REPORTING**

The Recipient shall report to the MVRD in accordance with the requirements of the reporting section of Schedule B.

#### **6.0 TAXES**

It is the Recipient's responsibility to determine whether or not it has to be registered for GST and/or PST purposes. The amount of funding provided in this Agreement includes any GST and/or PST which may be payable by the MVRD. Any liability for GST and/or PST required in respect of this Agreement will be the responsibility of the Recipient.

#### **7.0 SEPARATE FUNDS AND FINANCIAL STATEMENTS**

The books of account of the Recipient shall be kept in accordance with Generally Accepted Accounting Practices.

#### **8.0 RIGHT OF AUDIT**

At any time, the MVRD may give to the Recipient written notice that it desires its representative to examine the books of account of the Recipient, and the Recipient shall produce for examination to such representative within ten days after receipt of such notice, its books of account, and the said representative shall have a right of access to all records, documents, books, accounts and vouchers of the Recipient and shall be entitled to require from the Directors and Officers of the Recipient such information and explanations as, in his/her opinion, may be necessary to enable the staff to report to the MVRD Board on the financial position of the Recipient.

#### **9.0 INDEMNITY AND RELEASE**

- 9.1 The Recipient shall indemnify and save harmless the MVRD from and against all actions, causes of action, claims, liabilities, damages, losses, costs, legal fees, fees, fines, charges or expenses which the MVRD may incur, be threatened by or be required to pay by reason of or arising out of the provision of the Services by the Recipient, the Recipient's use of any facility where Services are provided, the breach by the Recipient of any term of this Agreement, or by the Recipient's contravention of any law, enactment or regulation of a federal, provincial or local government.

9.2 The Recipient releases the MVRD, its elected officials, appointed officers, employees and agents from and waives any claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability which the Recipient may have against any or all of them in respect of an act of the MVRD in relation to this Agreement except insofar as such claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability arises from the negligence of the MVRD, its elected officials and appointed officers, employees, agents or contractors.

9.3 This section shall survive the expiry or sooner termination of this Agreement.

## **10.0 TERMINATION**

10.1 MVRD may terminate this Agreement immediately without notice to the Recipient should:

- (a) the Recipient make an assignment in bankruptcy or is declared bankrupt; or
- (b) MVRD, in its sole discretion, determine that any of the Funds are being used in a manner contrary to the Plan or the public interest.

10.2 MVRD may terminate this Agreement upon giving ninety (90) days written notice to the Recipient.

10.3 If the MVRD terminates the Agreement for any reason, the Recipient shall immediately return any Funds that have not been spent on providing the Services. The Recipient will provide a full accounting of all Funds not returned.

10.4 The Recipient may terminate this Agreement upon giving thirty (30) days written notice to the MVRD should the Recipient, for any reason, be unable to meet its obligations with respect to the provision of the Services as set forth in this Agreement.

10.5 Upon termination by the Recipient, the Recipient shall immediately return any Funds that have not been spent on providing the Services. The Recipient will provide a full accounting of all Funds not returned.

## **11.0 NOTICE**

11.1 It is hereby mutually agreed that any notice required to be given under this Agreement will be deemed to be sufficiently given:

- (a) if delivered at the time of delivery; and
- (b) if mailed from any government post in the Province of British Columbia by prepaid registered mail addressed as follows:

### **To MVRD:**

Mike Redpath, Director, Regional Parks  
Metro Vancouver Regional District  
4730 Kingsway  
Burnaby, BC V5H 0C6

**To the Recipient:**

Frank Rogers, President  
Boundary Bay Park Association  
c/o 5763 17A Avenue  
Delta, BC V4L 1J3

- 11.2 Unless otherwise specified herein, any notice required to be given under this Agreement by any party will be deemed to have been given if mailed by prepaid registered mail, sent by facsimile transmission, or delivered to the address of the other party set forth above or at such other address as the other party may from time to time direct in writing, and any such notice will be deemed to have been received if mailed or faxed, seventy-two (72) hours after the time of mailing or faxing and if delivered, upon the date of delivery. If normal mail service or facsimile service is interrupted by strike, slow down, force majeure or other cause, then a notice sent by the impaired means of communication will not be deemed to be received until actually received, and the party sending the notice must utilize any other such services which have not been so interrupted or must deliver such notice in order to ensure prompt receipt thereof.

**12.0 AUTHORIZATION**

The execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement, if any, have been duly and validly authorized by all necessary corporate action of the Recipient, and this Agreement constitutes a legal, valid and binding obligation of the Recipient enforceable against the Recipient in accordance with its terms and the persons signing this Agreement on the Recipient's behalf are duly authorized to do so.

**13.0 TIME**

Time is of the essence in this Agreement.

**14.0 BINDING**

In consideration of being granted the Funds, the Recipient agrees to be bound by the terms and conditions of this Agreement, and if the Recipient represents a group or organization, the Recipient agrees to inform all responsible persons associated with the group or organization of the terms and conditions of this Agreement.

**15.0 ASSIGNMENT**

The Recipient may not assign this Agreement in whole or in part without the prior written consent of the MVRD.

**16.0 ENUREMENT**

This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, successors and permitted assignees.

## **17.0 RELATIONSHIP OF PARTIES**

No provision of this Agreement shall be construed to create a partnership or joint venture relationship, an employer-employee relationship, a landlord-tenant, or a principal-agent relationship.

## **18.0 WAIVER**

The waiver by a party of any failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar.

## **19.0 AMENDMENTS**

This Agreement may not be modified or amended except by the written agreement of the parties.

## **20.0 WHOLE AGREEMENT**

The whole agreement between the parties is set forth in this document and no representations, warranties or conditions, express or implied, have been made other than those expressed.

## **21.0 LANGUAGE**

Wherever the singular, masculine and neuter are used throughout this Agreement, the same is to be construed as meaning the plural or the feminine or the body corporate or politic as the context so requires.

## **22.0 CUMULATIVE REMEDIES**

No remedy under this Agreement is to be deemed exclusive but will, where possible, be cumulative with all other remedies at law or in equity.

## **23.0 GOVERNING LAW AND JURISDICTION**

This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia and the parties attorn to the exclusive jurisdiction of the courts of British Columbia.

## **24.0 COUNTERPARTS**

This Agreement may be executed in counterparts with the same effect as if both parties had signed the same document. Each counterpart shall be deemed to be an original. All counterparts shall be construed together and shall constitute one and the same Agreement.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement as of the day and year first above written.

**For the METRO VANCOUVER REGIONAL DISTRICT**

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Carol Mason, Chief Administrative Officer

**For BOUNDARY BAY PARK ASSOCIATION**

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Frank Rogers, President

**SCHEDULE 'A'**  
**Boundary Bay Park Association (Recipient)**  
**2020 Plan**

The primary purpose of these funds is to provide a level of coordination for the park association/recipient, to provide capacity to serve the people and communities it reaches through its initiatives. The range of key deliverables includes:

- Enable the volunteer Board of Directors to achieve broader MVRD outcomes;
- Coordinate volunteer work parties;
- Manage volunteers;
- Provide administrative support to the Board, including record keeping as appropriate;
- Coordinate society communications with Board, committees, society members, volunteers, MVRD staff, public and Parks Association partner groups;
- Coordinate and/or conduct outreach including social media, displays and booths to increase community awareness;
- Coordinate and support events;
- Coordinate and support fundraising; and
- Coordinate programs that include MVRD messaging.

## **SCHEDULE 'B'**

### **Evaluation**

#### **Oversight:**

MVRD staff regularly interact with Boundary Bay Park Association Board, paid Coordinators and staff/volunteers.

#### **Reporting:**

Boundary Bay Park Association is required to provide:

- Records of volunteer hours, events, activities, participants and associated statistics annually to MVRD at the beginning of September (year to date) and the beginning of January (for previous year). These statistics are included in MVRD's annual business plan report;
- A report outlining accomplishments for the year, such as funds raised, Board development, new initiatives, number of members, new partnerships, awards and recognition, anecdotal success stories, etc.; and
- A member of the Park Association must make a presentation to the Regional Parks Committee summarizing achievements once every three years.



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To: Regional Parks Committee

From: David Leavers, Division Manager, Visitor and Operations Services, Regional Parks

Date: June 3, 2019 Meeting Date: July 10, 2019

Subject: **Burnaby Lake Park Association Contribution Agreement**

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**RECOMMENDATION**

That the MVRD Board approve the Contribution Agreement between the Metro Vancouver Regional District and the Burnaby Lake Park Association for a one-year term in the amount of \$13,000, commencing January 1, 2020 and ending December 31, 2020.

---

**PURPOSE**

To seek MVRD Board approval to enter into a one-year contribution agreement with the Burnaby Lake Park Association (Attachment).

**BACKGROUND**

This report has been prepared to enter into a contribution agreement with the Burnaby Lake Park Association. The MVRD and the Burnaby Lake Park Association have renewed its agreement annually since 2005, with the exception of 2018 when capacity funding was not requested. In 2019, the Burnaby Lake Park Association received \$13,000 in funding. The Burnaby Lake Park Association utilizes Metro Vancouver funding to provide a level of coordination for the park association, and to provide capacity to serve the people and communities it reaches through its initiatives. The range of key deliverables includes:

- enabling the volunteer Board of Directors to achieve broader MVRD outcomes;
- coordinating volunteer work parties;
- managing volunteers;
- providing administrative support to the Board, including record keeping as appropriate;
- coordinating society communications with Board, committees, society members, volunteers, MVRD staff, public and Parks Association partner groups;
- coordinating and/or conducting outreach including social media, displays and booths to increase community awareness;
- coordinating and supporting events;
- coordinating and supporting fundraising; and
- coordinating programs that include MVRD messaging.

**PARK PARTNERSHIP PROGRAM**

Regional Parks manage dedicated funds for capacity-building and support for park associations active in regional parks as part of a broader Park Partnership Program. The type and scope of programs and services vary among park associations based on the association's goals. Past funding of these

associations has reflected the proposed use of funds, demonstration of need, and previous performance assessments.

### **CONTRIBUTION AGREEMENT**

The contribution agreement states that the primary purpose for this funding is to provide a level of coordination for the park association to provide capacity to serve the people and communities it reaches through its initiatives.

The Burnaby Lake Park Association has fulfilled its reporting requirements from previous years and will submit an annual report to MVRD. The Association's 2018 Annual Report is available for review upon request.

### **Term**

- The term of the proposed agreement commences January 1, 2020, and ends on December 31, 2020.
- There is a provision in the agreement for early termination in the event of bankruptcy, if the funds are being used in a manner contrary to the agreement or not in the public interest, or the park association is unable to meet its agreed obligations.

### **Services to MVRD**

In 2018, the Burnaby Lake Park Association contributed in excess of 1,600 volunteer hours, delivering more than 47 activities including stewardship projects and park interpretation and education programs to over 2,400 public attendees. It is proposed that 2020 funds will be used to continue to fund the Burnaby Lake Park Association's volunteer coordinator to implement its work plan that includes initiatives that support the preservation, restoration, and protection of the ecological integrity of Burnaby Lake Regional Park and increase public appreciation for the natural environment by connecting people with nature through its habitat restoration and enhancement activities, education and outreach. The funds will also be used to leverage additional donations and support from other sources as the association attempts to increase its financial sustainability.

### **ALTERNATIVES**

1. That the MVRD Board approve the Contribution Agreement between the Metro Vancouver Regional District and the Burnaby Lake Park Association for a one-year term in the amount of \$13,000, commencing January 1, 2020 and ending December 31, 2020.
2. That the MVRD Board receive for information the report dated June 3, 2019, titled "Burnaby Lake Park Association Contribution Agreement" and provide alternate direction to staff.

### **FINANCIAL IMPLICATIONS**

The 2018 - 2022 Metro Vancouver Regional Parks 5-year financial plan included an \$83,000 annual allocation in 2020 for capacity-building support for park associations active in regional parks as part of a broader Park Partnership Program. Funding is to be used to support opportunities for citizens to help preserve, protect and enhance regional parks while advocating for greater public connectivity to nature.

This contribution agreement proposes a one-year funding amount of \$13,000 for the Burnaby Lake Park Association. If the MVRD Board approves Alternative 1, the 2020 Regional Parks budget will continue to include a provision for this funding as a portion of the overall \$83,000 annual budget.

**Table A – 2020 Allocations**

Boundary Bay	\$ 7,000
Burnaby Lake	\$13,000
Colony Farm	\$ 5,000
Derby Reach / Brae Island	\$15,000
KEEPS	\$15,000
Minnekhada	\$13,000
Pacific Spirit	\$15,000
<b>TOTAL</b>	<b>\$83,000</b>

Payment to the Burnaby Lake Park Association will be made by January 31, 2020.

#### **SUMMARY / CONCLUSION**

Alternative 1 meets Metro Vancouver's requirements for the provision of contribution funds to the Burnaby Lake Park Association. Proposed funding supports the Burnaby Lake Park Association's capacity to provide community benefit to Metro Vancouver Regional Parks through their many volunteer programs and services. Staff recommends approval of Alternative 1.

#### **Attachment**

Contribution Agreement –Burnaby Lake Park Association (25712794)

25712794

**CONTRIBUTION AGREEMENT**

THIS AGREEMENT made the \_\_\_\_ day of \_\_\_\_\_, 2019

BETWEEN:

**METRO VANCOUVER REGIONAL DISTRICT**

4730 Kingsway  
Burnaby, BC  
V5H 0C6

("MVRD")

AND:

**BURNABY LAKE PARK ASSOCIATION**

c/o 9146 Avalon Avenue  
Burnaby, BC  
V3N 4G8

(the "Recipient")

**WHEREAS:**

- A. The Recipient is a non-profit society. The goal of the Association is to protect and care for, in perpetuity, Burnaby Lake Regional Park, while upholding the principles of the Land Use Plan. The Association works to protect and enhance the wildlife areas of the park while maintaining recreational and agricultural opportunities in the park that are in harmony with nature, and to promote public knowledge and stewardship of the parks natural and agricultural areas.
- B. The Recipient has requested to receive, and the MVRD has agreed to provide funds to the Recipient for a purpose beneficial to the community or an aspect of the community; and
- C. Section 176(1) (c) of the *Local Government Act* provides that the MVRD may provide assistance for the purpose of benefitting the community or any aspect of the community.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises, terms and conditions to be hereinafter contained (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree each with the other as follows:

**1.0 INTERPRETATION**

In this Agreement the following terms have the following meanings:

**"Agreement"** means this agreement and the appended schedules.

**“Plan”** means the plan set out in Schedule A of the Agreement which sets out the specific purpose or activities for which the Recipient may use the funds provided to the Recipient under this Agreement.

**“Services”** means any activities or services set out in the Plan.

## **2.0 TERM**

The term of this Agreement will commence on January 1, 2020, and end on December 31, 2020, (the **“Term”**) unless otherwise terminated as provided herein.

## **3.0 SERVICES**

- 3.1 The Recipient shall only use the funds provided in accordance with Article 4.0 (the **“Funds”**) to provide Services in accordance with the terms and conditions of this Agreement.
- 3.2 The Recipient shall, at the MVRD’s written request, provide all information required to enable the MVRD to evaluate, using the criteria set out in Schedule B, the Recipient’s provision of the Services.
- 3.3 The Recipient will provide the Services under the terms of the Agreement subject to any applicable bylaws of the MVRD and local municipality, and applicable legislation and regulations and in a manner consistent with any applicable guidelines provided by the MVRD.
- 3.4 MVRD must approve any changes to the Plan or Services in writing prior to the changes being made during the Term.
- 3.5 If the Recipient makes changes without the prior approval of the MVRD pursuant to section 3.4, the MVRD may, at its sole discretion, withdraw the Funds and immediately terminate the Agreement.

## **4.0 FUNDING AND PAYMENT**

- 4.1 MVRD has agreed to provide the Funds to support the Recipient’s provision of the Services, in accordance with section 4.3.
- 4.2 The payment of Funds is subject to the MVRD being satisfied that the Recipient will perform the Services in accordance with the Plan and all requirements under the Agreement.
- 4.3 MVRD shall pay by cheque or ETF the sum of \$13,000 for the provision of the Services by January 31, 2020.

## **5.0 REPORTING**

The Recipient shall report to the MVRD in accordance with the requirements of the reporting section of Schedule B.

## **6.0 TAXES**

It is the Recipient's responsibility to determine whether or not it has to be registered for GST and/or PST purposes. The amount of funding provided in this Agreement includes any GST and/or PST which may be payable by the MVRD. Any liability for GST and/or PST required in respect of this Agreement will be the responsibility of the Recipient.

## **7.0 SEPARATE FUNDS AND FINANCIAL STATEMENTS**

The books of account of the Recipient shall be kept in accordance with Generally Accepted Accounting Practices.

## **8.0 RIGHT OF AUDIT**

At any time, the MVRD may give to the Recipient written notice that it desires its representative to examine the books of account of the Recipient, and the Recipient shall produce for examination to such representative within ten days after receipt of such notice, its books of account, and the said representative shall have a right of access to all records, documents, books, accounts and vouchers of the Recipient and shall be entitled to require from the Directors and Officers of the Recipient such information and explanations as, in his/her opinion, may be necessary to enable the staff to report to the MVRD Board on the financial position of the Recipient.

## **9.0 INDEMNITY AND RELEASE**

9.1 The Recipient shall indemnify and save harmless the MVRD from and against all actions, causes of action, claims, liabilities, damages, losses, costs, legal fees, fees, fines, charges or expenses which the MVRD may incur, be threatened by or be required to pay by reason of or arising out of the provision of the Services by the Recipient, the Recipient's use of any facility where Services are provided, the breach by the Recipient of any term of this Agreement, or by the Recipient's contravention of any law, enactment or regulation of a federal, provincial or local government.

9.2 The Recipient releases the MVRD, its elected officials, appointed officers, employees and agents from and waives any claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability which the Recipient may have against any or all of them in respect of an act of the MVRD in relation to this Agreement except insofar as such claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability arises from the negligence of the MVRD, its elected officials and appointed officers, employees, agents or contractors.

9.3 This section shall survive the expiry or sooner termination of this Agreement.

## **10.0 TERMINATION**

10.1 MVRD may terminate this Agreement immediately without notice to the Recipient should:

- (a) the Recipient make an assignment in bankruptcy or is declared bankrupt; or

- (b) MVRD, in its sole discretion, determine that any of the Funds are being used in a manner contrary to the Plan or the public interest.
- 10.2 MVRD may terminate this Agreement upon giving ninety (90) days written notice to the Recipient.
- 10.3 If the MVRD terminates the Agreement for any reason, the Recipient shall immediately return any Funds that have not been spent on providing the Services. The Recipient will provide a full accounting of all Funds not returned.
- 10.4 The Recipient may terminate this Agreement upon giving thirty (30) days written notice to the MVRD should the Recipient, for any reason, be unable to meet its obligations with respect to the provision of the Services as set forth in this Agreement.
- 10.5 Upon termination by the Recipient, the Recipient shall immediately return any Funds that have not been spent on providing the Services. The Recipient will provide a full accounting of all Funds not returned.

#### **11.0 NOTICE**

- 11.1 It is hereby mutually agreed that any notice required to be given under this Agreement will be deemed to be sufficiently given:

- (a) if delivered at the time of delivery; and
  - (b) if mailed from any government post in the Province of British Columbia by prepaid registered mail addressed as follows:

**To MVRD:**

Mike Redpath, Director, Regional Parks  
Metro Vancouver Regional District  
4730 Kingsway  
Burnaby, BC V5H 0C6

**To the Recipient:**

Irene Lau, Chair  
Burnaby Lake Park Association  
c/o 9146 Avalon Avenue  
Burnaby, BC V3N 4G8

- 11.2 Unless otherwise specified herein, any notice required to be given under this Agreement by any party will be deemed to have been given if mailed by prepaid registered mail, sent by facsimile transmission, or delivered to the address of the other party set forth above or at such other address as the other party may from time to time direct in writing, and any such notice will be deemed to have been received if mailed or faxed, seventy-two (72) hours after the time of mailing or faxing and if delivered, upon the date of delivery. If normal mail service or facsimile service is interrupted by strike, slow down, force majeure or other cause, then a notice sent by the impaired means of communication will not be deemed to be received until

actually received, and the party sending the notice must utilize any other such services which have not been so interrupted or must deliver such notice in order to ensure prompt receipt thereof.

## **12.0 AUTHORIZATION**

The execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement, if any, have been duly and validly authorized by all necessary corporate action of the Recipient, and this Agreement constitutes a legal, valid and binding obligation of the Recipient enforceable against the Recipient in accordance with its terms and the persons signing this Agreement on the Recipient's behalf are duly authorized to do so.

## **13.0 TIME**

Time is of the essence in this Agreement.

## **14.0 BINDING**

In consideration of being granted the Funds, the Recipient agrees to be bound by the terms and conditions of this Agreement, and if the Recipient represents a group or organization, the Recipient agrees to inform all responsible persons associated with the group or organization of the terms and conditions of this Agreement.

## **15.0 ASSIGNMENT**

The Recipient may not assign this Agreement in whole or in part without the prior written consent of the MVRD.

## **16.0 ENUREMENT**

This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, successors and permitted assignees.

## **17.0 RELATIONSHIP OF PARTIES**

No provision of this Agreement shall be construed to create a partnership or joint venture relationship, an employer-employee relationship, a landlord-tenant, or a principal-agent relationship.

## **18.0 WAIVER**

The waiver by a party of any failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar.



## **19.0 AMENDMENTS**

This Agreement may not be modified or amended except by the written agreement of the parties.

## **20.0 WHOLE AGREEMENT**

The whole agreement between the parties is set forth in this document and no representations, warranties or conditions, express or implied, have been made other than those expressed.

## **21.0 LANGUAGE**

Wherever the singular, masculine and neuter are used throughout this Agreement, the same is to be construed as meaning the plural or the feminine or the body corporate or politic as the context so requires.

## **22.0 CUMULATIVE REMEDIES**

No remedy under this Agreement is to be deemed exclusive but will, where possible, be cumulative with all other remedies at law or in equity.

## **23.0 GOVERNING LAW AND JURISDICTION**

This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia and the parties attorn to the exclusive jurisdiction of the courts of British Columbia.

## **24.0 COUNTERPARTS**

This Agreement may be executed in counterparts with the same effect as if both parties had signed the same document. Each counterpart shall be deemed to be an original. All counterparts shall be construed together and shall constitute one and the same Agreement.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement as of the day and year first above written.

**For the METRO VANCOUVER REGIONAL DISTRICT**

---

Carol Mason, Chief Administrative Officer

**For BURNABY LAKE PARK ASSOCIATION**

---

Irene Lau, Chair

**SCHEDULE 'A'**  
**Burnaby Lake Park Association (Recipient)**  
**2020 Plan**

The primary purpose of these funds is to provide a level of coordination for the park association/recipient, to provide capacity to serve the people and communities it reaches through its initiatives. The range of key deliverables includes:

- Enable the volunteer Board of Directors to achieve broader MVRD outcomes;
- Coordinate volunteer work parties;
- Manage volunteers;
- Provide administrative support to the Board, including record keeping as appropriate;
- Coordinate society communications with Board, committees, society members, volunteers, MVRD staff, public and Parks Association partner groups;
- Coordinate and/or conduct outreach including social media, displays and booths to increase community awareness;
- Coordinate and support events;
- Coordinate and support fundraising; and
- Coordinate programs that include MVRD messaging.

## **SCHEDULE 'B'**

### **Evaluation**

#### **Oversight:**

MVRD staff regularly interact with Burnaby Lake Park Association Board, paid Coordinators and staff/volunteers.

#### **Reporting:**

Burnaby Lake Park Association is required to provide:

- Records of volunteer hours, events, activities, participants and associated statistics annually to MVRD at the beginning of September (year to date) and the beginning of January (for previous year). These statistics are included in MVRD's annual business plan report;
- A report outlining accomplishments for the year, such as funds raised, Board development, new initiatives, number of members, new partnerships, awards and recognition, anecdotal success stories, etc.; and
- A member of the Park Association must make a presentation to the Regional Parks Committee summarizing achievements once every three years.

To: Regional Parks Committee

From: David Leavers, Division Manager, Visitor and Operations Services, Regional Parks

Date: June 3, 2019

Meeting Date: July 10, 2019

Subject: **Colony Farm Park Association Contribution Agreement**

---

### **RECOMMENDATION**

That the MVRD Board approve the Contribution Agreement between the Metro Vancouver Regional District and the Colony Farm Park Association for a one-year term in the amount of \$5,000, commencing January 1, 2020 and ending December 31, 2020.

---

### **PURPOSE**

To seek MVRD Board approval to enter into a one-year contribution agreement with the Colony Farm Park Association (Attachment).

### **BACKGROUND**

This report has been prepared to renew the contribution agreement with the Colony Farm Park Association that expires on December 31, 2019. In 2019, Colony Farm Park Association received \$5,000 in funding. The Colony Farm Park Association utilizes Metro Vancouver funding to provide a level of coordination for the park association, and to provide capacity to serve the people and communities it reaches through its initiatives.

### **PARK PARTNERSHIP PROGRAM**

Regional Parks manage dedicated funds for capacity-building and support for park associations active in regional parks as part of a broader Park Partnership Program. The type and scope of programs and services vary among park associations based on the association's goals. Past funding of these associations has reflected the proposed use of funds, demonstration of need, and previous performance assessments.

### **CONTRIBUTION AGREEMENT**

The contribution agreement states that the primary purpose for this funding is to provide a level of coordination for the park association, to provide capacity to serve the people and communities it reaches through its initiatives.

The Colony Farm Park Association has fulfilled its prior year reporting requirements. Colony Farm Park Association will submit an annual report to MVRD. The Association's 2018 Annual Report is available for review upon request.

### **Term**

- The term of the proposed agreement commences January 1, 2020 and ends on December 31, 2020.
- There is a provision in the agreement for early termination in the event of bankruptcy, if the funds are being used in a manner contrary to the agreement or not in the public interest, or the park association is unable to meet its agreed obligations.

### **Activities and Services**

In 2018, the Colony Farm Park Association:

- committed more than of 600 volunteer hours; and
- provided services in vegetation management, conducted work parties for invasive plant removal, and delivered 20 interpretation and educational programs to over 550 public attendees.

It is proposed that 2020 funds will be used to secure a volunteer coordinator to manage work parties, plan events and support outreach and education initiatives.

### **ALTERNATIVES**

1. That the MVRD Board approve the Contribution Agreement between the Metro Vancouver Regional District and the Colony Farm Park Association for a one-year term in the amount of \$5,000, commencing January 1, 2020 and ending December 31, 2020.
2. That the MVRD Board receive for information the report dated June 3, 2019, titled “Colony Farm Park Association Contribution Agreement” and provide alternate direction to staff.

### **FINANCIAL IMPLICATIONS**

The 2018-2022 Metro Vancouver Regional Parks 5-year financial plan included an \$83,000 annual allocation for 2019 for capacity-building support for park associations active in regional parks as part of a broader Park Partnership Program. Funding is to be used to support opportunities for citizens to help preserve, protect and enhance regional parks while advocating for greater public connectivity to nature.

This contribution agreement proposes a one-year funding amount of \$5,000 for the Colony Farm Park Association. If the MVRD Board approves Alternative 1, the 2020 Regional Parks budget will continue to include a provision for this funding as a portion of the overall \$83,000 annual budget.

**Table A – 2020 Allocations**

Boundary Bay	\$ 7,000
Burnaby Lake	\$13,000
Colony Farm	\$ 5,000
Derby Reach / Brae Island	\$15,000
KEEPS	\$15,000
Minnekhada	\$13,000
Pacific Spirit	\$15,000
<b>TOTAL</b>	<b>\$83,000</b>

Payment will be made to the Colony Farm Park Association by January 31, 2020.

**SUMMARY / CONCLUSION**

Alternative 1 meets Metro Vancouver's requirements for the provision of contribution funds to the Colony Farm Park Association. Proposed funding supports the Colony Farm Park Association's capacity to provide community benefit to Metro Vancouver Regional Parks through their many volunteer programs and services. Staff recommends approval of Alternative 1.

**Attachment**

Contribution Agreement – Colony Farm Park Association (29491979)

29491979

**CONTRIBUTION AGREEMENT**

THIS AGREEMENT made the \_\_\_\_ day of \_\_\_\_\_, 2019

BETWEEN:

**METRO VANCOUVER REGIONAL DISTRICT**

4730 Kingsway  
Burnaby, BC  
V5H 0C6

("MVRD")

AND:

**COLONY FARM PARK ASSOCIATION**

c/o 1388 Cambridge Drive  
Coquitlam, BC  
V3J 2P7

(the "Recipient")

**WHEREAS:**

- A. The Recipient is a non-profit society. The goal of the Association is to protect and care for, in perpetuity, Colony Farm Regional Park, while upholding the principles of the Land Use Plan. The Association works to protect and enhance the wildlife areas of the park while maintaining recreational and agricultural opportunities in the park that are in harmony with nature, and to promote public knowledge and stewardship of the parks natural and agricultural areas.
- B. The Recipient has requested to receive, and the MVRD has agreed to provide funds to the Recipient for a purpose beneficial to the community or an aspect of the community; and
- C. Section 176(1) (c) of the *Local Government Act* provides that the MVRD may provide assistance for the purpose of benefitting the community or any aspect of the community.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises, terms and conditions to be hereinafter contained (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree each with the other as follows:

**1.0 INTERPRETATION**

In this Agreement the following terms have the following meanings:

**"Agreement"** means this agreement and the appended schedules.



**“Plan”** means the plan set out in Schedule A of the Agreement which sets out the specific purpose or activities for which the Recipient may use the funds provided to the Recipient under this Agreement.

**“Services”** means any activities or services set out in the Plan.

## **2.0 TERM**

The term of this Agreement will commence on January 1, 2020, and end on December 31, 2020, (the **“Term”**) unless otherwise terminated as provided herein.

## **3.0 SERVICES**

3.1 The Recipient shall only use the funds provided in accordance with Article 4.0 (the **“Funds”**) to provide Services in accordance with the terms and conditions of this Agreement.

3.2 The Recipient shall, at the MVRD’s written request, provide all information required to enable the MVRD to evaluate, using the criteria set out in Schedule B, the Recipient’s provision of the Services.

3.3 The Recipient will provide the Services under the terms of the Agreement subject to any applicable bylaws of the MVRD and local municipality, and applicable legislation and regulations and in a manner consistent with any applicable guidelines provided by the MVRD.

3.4 MVRD must approve any changes to the Plan or Services in writing prior to the changes being made during the Term.

3.5 If the Recipient makes changes without the prior approval of the MVRD pursuant to section 3.4, the MVRD may, at its sole discretion, withdraw the Funds and immediately terminate the Agreement.

## **4.0 FUNDING AND PAYMENT**

4.1 MVRD has agreed to provide the Funds to support the Recipient’s provision of the Services, in accordance with section 4.3.

4.2 The payment of Funds is subject to the MVRD being satisfied that the Recipient will perform the Services in accordance with the Plan and all requirements under the Agreement.

4.3 MVRD shall pay by cheque or EFT the sum of \$5,000 for the provision of the Services by January 31, 2020.

## **5.0 REPORTING**

The Recipient shall report to the MVRD in accordance with the requirements of the reporting section of Schedule B.

## **6.0 TAXES**

It is the Recipient's responsibility to determine whether or not it has to be registered for GST and/or PST purposes. The amount of funding provided in this Agreement includes any GST and/or PST which may be payable by the MVRD. Any liability for GST and/or PST required in respect of this Agreement will be the responsibility of the Recipient.

## **7.0 SEPARATE FUNDS AND FINANCIAL STATEMENTS**

The books of account of the Recipient shall be kept in accordance with Generally Accepted Accounting Practices.

## **8.0 RIGHT OF AUDIT**

At any time, the MVRD may give to the Recipient written notice that it desires its representative to examine the books of account of the Recipient, and the Recipient shall produce for examination to such representative within ten days after receipt of such notice, its books of account, and the said representative shall have a right of access to all records, documents, books, accounts and vouchers of the Recipient and shall be entitled to require from the Directors and Officers of the Recipient such information and explanations as, in his/her opinion, may be necessary to enable the staff to report to the MVRD Board on the financial position of the Recipient.

## **9.0 INDEMNITY AND RELEASE**

9.1 The Recipient shall indemnify and save harmless the MVRD from and against all actions, causes of action, claims, liabilities, damages, losses, costs, legal fees, fees, fines, charges or expenses which the MVRD may incur, be threatened by or be required to pay by reason of or arising out of the provision of the Services by the Recipient, the Recipient's use of any facility where Services are provided, the breach by the Recipient of any term of this Agreement, or by the Recipient's contravention of any law, enactment or regulation of a federal, provincial or local government.

9.2 The Recipient releases the MVRD, its elected officials, appointed officers, employees and agents from and waives any claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability which the Recipient may have against any or all of them in respect of an act of the MVRD in relation to this Agreement except insofar as such claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability arises from the negligence of the MVRD, its elected officials and appointed officers, employees, agents or contractors.

9.3 This section shall survive the expiry or sooner termination of this Agreement.

## **10.0 TERMINATION**

10.1 MVRD may terminate this Agreement immediately without notice to the Recipient should:

- (a) the Recipient make an assignment in bankruptcy or is declared bankrupt; or
  - (b) MVRD, in its sole discretion, determine that any of the Funds are being used in a manner contrary to the Plan or the public interest.
- 10.2 MVRD may terminate this Agreement upon giving ninety (90) days written notice to the Recipient.
- 10.3 If the MVRD terminates the Agreement for any reason, the Recipient shall immediately return any Funds that have not been spent on providing the Services. The Recipient will provide a full accounting of all Funds not returned.
- 10.4 The Recipient may terminate this Agreement upon giving thirty (30) days written notice to the MVRD should the Recipient, for any reason, be unable to meet its obligations with respect to the provision of the Services as set forth in this Agreement.
- 10.5 Upon termination by the Recipient, the Recipient shall immediately return any Funds that have not been spent on providing the Services. The Recipient will provide a full accounting of all Funds not returned.

#### **11.0 NOTICE**

- 11.1 It is hereby mutually agreed that any notice required to be given under this Agreement will be deemed to be sufficiently given:
  - (a) if delivered at the time of delivery; and
  - (b) if mailed from any government post in the Province of British Columbia by prepaid registered mail addressed as follows:

**To MVRD:**

Mike Redpath, Director, Regional Parks  
Metro Vancouver Regional District  
4730 Kingsway  
Burnaby, BC V5H 0C6

**To the Recipient:**

Jane Thomsing, Chair  
Colony Farm Park Association  
c/o 1388 Cambridge Drive  
Coquitlam, BC V3J 2P7

- 11.2 Unless otherwise specified herein, any notice required to be given under this Agreement by any party will be deemed to have been given if mailed by prepaid registered mail, sent by facsimile transmission, or delivered to the address of the other party set forth above or at such other address as the other party may from time to time direct in writing, and any such

notice will be deemed to have been received if mailed or faxed, seventy-two (72) hours after the time of mailing or faxing and if delivered, upon the date of delivery. If normal mail service or facsimile service is interrupted by strike, slow down, force majeure or other cause, then a notice sent by the impaired means of communication will not be deemed to be received until actually received, and the party sending the notice must utilize any other such services which have not been so interrupted or must deliver such notice in order to ensure prompt receipt thereof.

## **12.0 AUTHORIZATION**

The execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement, if any, have been duly and validly authorized by all necessary corporate action of the Recipient, and this Agreement constitutes a legal, valid and binding obligation of the Recipient enforceable against the Recipient in accordance with its terms and the persons signing this Agreement on the Recipient's behalf are duly authorized to do so.

## **13.0 TIME**

Time is of the essence in this Agreement.

## **14.0 BINDING**

In consideration of being granted the Funds, the Recipient agrees to be bound by the terms and conditions of this Agreement, and if the Recipient represents a group or organization, the Recipient agrees to inform all responsible persons associated with the group or organization of the terms and conditions of this Agreement.

## **15.0 ASSIGNMENT**

The Recipient may not assign this Agreement in whole or in part without the prior written consent of the MVRD.

## **16.0 ENUREMENT**

This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, successors and permitted assignees.

## **17.0 RELATIONSHIP OF PARTIES**

No provision of this Agreement shall be construed to create a partnership or joint venture relationship, an employer-employee relationship, a landlord-tenant, or a principal-agent relationship.

## **18.0 WAIVER**

The waiver by a party of any failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar.

## **19.0 AMENDMENTS**

This Agreement may not be modified or amended except by the written agreement of the parties.

## **20.0 WHOLE AGREEMENT**

The whole agreement between the parties is set forth in this document and no representations, warranties or conditions, express or implied, have been made other than those expressed.

## **21.0 LANGUAGE**

Wherever the singular, masculine and neuter are used throughout this Agreement, the same is to be construed as meaning the plural or the feminine or the body corporate or politic as the context so requires.

## **22.0 CUMULATIVE REMEDIES**

No remedy under this Agreement is to be deemed exclusive but will, where possible, be cumulative with all other remedies at law or in equity.

## **23.0 GOVERNING LAW AND JURISDICTION**

This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia and the parties attorn to the exclusive jurisdiction of the courts of British Columbia.

## **24.0 COUNTERPARTS**

This Agreement may be executed in counterparts with the same effect as if both parties had signed the same document. Each counterpart shall be deemed to be an original. All counterparts shall be construed together and shall constitute one and the same Agreement.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement as of the day and year first above written.

**For the METRO VANCOUVER REGIONAL DISTRICT**

---

Carol Mason, Chief Administrative Officer

**For COLONY FARM PARK ASSOCIATION**

---

Jane Thomsing, Chair

**SCHEDULE 'A'**  
**Colony Farm Park Association (Recipient)**  
**2020 Plan**

The primary purpose of these funds is to provide a level of coordination for the park association/recipient, to provide capacity to serve the people and communities it reaches through its initiatives. The range of key deliverables includes:

- Enable the volunteer Board of Directors to achieve broader MVRD outcomes;
- Coordinate volunteer work parties;
- Manage volunteers;
- Provide administrative support to the Board, including record keeping as appropriate;
- Coordinate society communications with Board, committees, society members, volunteers, MVRD staff, public and Parks Association partner groups;
- Coordinate and/or conduct outreach including social media, displays and booths to increase community awareness;
- Coordinate and support events;
- Coordinate and support fundraising; and
- Coordinate programs that include MVRD messaging.

## **SCHEDULE 'B'**

### **Evaluation**

#### **Oversight:**

MVRD staff regularly interact with Colony Farm Park Association Board, paid Coordinators and staff/volunteers.

#### **Reporting:**

Colony Farm Park Association is required to provide:

- Records of volunteer hours, events, activities, participants and associated statistics annually to MVRD at the beginning of September (year to date) and the beginning of January (for previous year). These statistics are included in MVRD's annual business plan report;
- A report outlining accomplishments for the year, such as funds raised, Board development, new initiatives, number of members, new partnerships, awards and recognition, anecdotal success stories, etc.; and
- A member of the Park Association must make a presentation to the Regional Parks Committee summarizing achievements once every three years.



---

To: Regional Parks Committee

From: David Leavers, Division Manager, Visitor and Operations Services, Regional Parks

Date: June 3, 2019 Meeting Date: July 10, 2019

Subject: **Derby Reach Brae Island Parks Association Contribution Agreement**

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**RECOMMENDATION**

That the MVRD Board approve the Contribution Agreement between the Metro Vancouver Regional District and the Derby Reach Brae Island Parks Association for a one-year term in the amount of \$15,000, commencing January 1, 2020 and ending December 31, 2020.

---

**PURPOSE**

To seek MVRD Board approval to enter into a one-year contribution agreement with the Derby Reach Brae Island Parks Association (Attachment).

**BACKGROUND**

This report has been prepared to renew the contribution agreement with the Derby Reach Brae Island Parks Association that expires on December 31, 2019. The MVRD and Derby Reach Brae Island Parks Association have renewed its agreement annually since 2015. In 2019, the Derby Reach Brae Island Parks Association received \$10,000 in funding.

The primary purpose of these funds is to provide a level of coordination for the park association and to provide capacity to serve the people and communities it reaches through its initiatives. The range of key deliverables includes:

- enabling the volunteer Board of Directors to achieve broader MVRD outcomes;
- coordinating volunteer work parties;
- managing volunteers;
- providing administrative support to the Board, including record keeping as appropriate;
- coordinating society communications with Board, committees, society members, volunteers, MVRD staff, public and Parks Association partner groups;
- coordinating and/or conducting outreach including social media, displays and booths to increase community awareness;
- coordinating and supporting events;
- coordinating and supporting fundraising; and
- coordinating programs that include MVRD messaging.

## **PARK PARTNERSHIP PROGRAM**

Regional Parks manage dedicated funds for capacity-building and support for park associations active in regional parks as part of a broader Park Partnership Program. The type and scope of programs and services vary among park associations based on the association's goals. Past funding of these associations has reflected the proposed use of funds, demonstration of need, and previous performance assessments.

## **CONTRIBUTION AGREEMENT**

The contribution agreement states that the primary purpose for this funding is to provide a level of coordination for the park association, to provide capacity to serve the people and communities it reaches through its initiatives.

The Derby Reach Brae Island Parks Association has fulfilled its prior year reporting requirements. The Derby Reach Brae Island Parks Association will submit an annual report to MVRD. The Association's 2018 Annual Report is available for review upon request.

### **Term**

- The term of the proposed agreement commences January 1, 2020 and ends on December 31, 2020.
- There is a provision in the agreement for early termination in the event of bankruptcy, if the funds are being used in a manner contrary to the agreement or not in the public interest, or the park association is unable to meet its agreed obligations.

### **Activities and Services**

In 2018, the Derby Reach Brae Island Parks Association:

- contributed in excess of 650 volunteer hours;
- delivered more than 33 activities that include popular events such as Heritage Apple Day and the Bedford Channel Paddle; and
- promoted and delivered a popular public walk series, an educational program aimed to connect people to nature.

It is proposed that 2020 funds will be used to secure a program and outreach coordinator that will continue to promote the free guided walk series, support events and fundraising campaigns, market on social media and recruit and manage volunteers for outreach activities.

## **ALTERNATIVES**

1. That the MVRD Board approve the contribution agreement between Metro Vancouver Regional District and the Derby Reach Brae Island Parks Association for a one-year term in the amount of \$15,000, commencing January 1, 2020 and ending December 31, 2020.
2. That the MVRD Board receive for information the report dated June 3, 2019, titled "Derby Reach Brae Island Parks Association Contribution Agreement" and provide alternate direction to staff.

## **FINANCIAL IMPLICATIONS**

The 2018-2022 Metro Vancouver Regional Parks 5-year financial plan included an \$83,000 annual allocation for 2019 for capacity-building support for park associations active in regional parks as part of a broader Park Partnership Program. Funding is to be used to support opportunities for citizens to help preserve, protect and enhance regional parks while advocating for greater public connectivity to nature.

This contribution agreement proposes a one-year funding amount of \$15,000 for the Derby Reach Brae Island Parks Association. If the MVRD Board approves Alternative 1, the 2020 Regional Parks budget will continue to include a provision for this funding as a portion of the overall \$83,000 annual budget.

**Table A – 2020 Allocations**

Boundary Bay	\$ 7,000
Burnaby Lake	\$13,000
Colony Farm	\$ 5,000
Derby Reach / Brae Island	\$15,000
KEEPS	\$15,000
Minnekhada	\$13,000
Pacific Spirit	\$15,000
<b>TOTAL</b>	<b>\$83,000</b>

Payment will be made to the Derby Reach Brae Island Parks Association by January 31, 2020.

## **SUMMARY / CONCLUSION**

Alternative 1 meets Metro Vancouver's requirements for the provision of contribution funds to the Derby Reach Brae Island Parks Association. Proposed funding supports the Derby Reach Brae Island Parks Association's capacity to provide community benefit to Metro Vancouver Regional Parks through their many volunteer programs and services. Staff recommend Alternative 1.

## **Attachment**

Contribution Agreement – Derby Reach Brae Island Parks Association (29499171)

29499171

CONTRIBUTION AGREEMENT

THIS AGREEMENT made the \_\_\_\_ day of \_\_\_\_\_, 2019

BETWEEN:

**METRO VANCOUVER REGIONAL DISTRICT**

4730 Kingsway  
Burnaby, BC  
V5H 0C6

("MVRD")

AND:

**DERBY REACH BRAE ISLAND PARKS ASSOCIATION**

c/o 1558 200<sup>th</sup> Street  
Langley, BC  
V2Z 1W5

(the "Recipient")

**WHEREAS:**

- A. The Recipient is a non-profit society. The purpose of the Association is to promote appreciation, understanding and enjoyment of Derby Reach and Brae Island Regional Parks while preserving and enhancing their natural and historical features.
- B. The Recipient has requested to receive, and the MVRD has agreed to provide funds to the Recipient for a purpose beneficial to the community or an aspect of the community; and
- C. Section 176(1) (c) of the *Local Government Act* provides that the MVRD may provide assistance for the purpose of benefitting the community or any aspect of the community.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises, terms and conditions to be hereinafter contained (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree each with the other as follows:

**1.0 INTERPRETATION**

In this Agreement the following terms have the following meanings:

**"Agreement"** means this agreement and the appended schedules.

**“Plan”** means the plan set out in Schedule A of the Agreement which sets out the specific purpose or activities for which the Recipient may use the funds provided to the Recipient under this Agreement.

**“Services”** means any activities or services set out in the Plan.

## **2.0 TERM**

The term of this Agreement will commence on January 1, 2020, and end on December 31, 2020, (the **“Term”**) unless otherwise terminated as provided herein.

## **3.0 SERVICES**

- 3.1 The Recipient shall only use the funds provided in accordance with Article 4.0 (the **“Funds”**) to provide Services in accordance with the terms and conditions of this Agreement.
- 3.2 The Recipient shall, at the MVRD’s written request, provide all information required to enable the MVRD to evaluate, using the criteria set out in Schedule B, the Recipient’s provision of the Services.
- 3.3 The Recipient will provide the Services under the terms of the Agreement subject to any applicable bylaws of the MVRD and local municipality, and applicable legislation and regulations and in a manner consistent with any applicable guidelines provided by the MVRD.
- 3.4 MVRD must approve any changes to the Plan or Services in writing prior to the changes being made during the Term.
- 3.5 If the Recipient makes changes without the prior approval of the MVRD pursuant to section 3.4, the MVRD may, at its sole discretion, withdraw the Funds and immediately terminate the Agreement.

## **4.0 FUNDING AND PAYMENT**

- 4.1 MVRD has agreed to provide the Funds to support the Recipient’s provision of the Services, in accordance with section 4.3.
- 4.2 The payment of Funds is subject to the MVRD being satisfied that the Recipient will perform the Services in accordance with the Plan and all requirements under the Agreement.
- 4.3 MVRD shall pay by cheque or EFT the sum of \$15,000 for the provision of the Services, by January 31, 2020.

## **5.0 REPORTING**

The Recipient shall report to the MVRD in accordance with the requirements of the reporting section of Schedule B.

## **6.0 TAXES**

It is the Recipient's responsibility to determine whether or not it has to be registered for GST and/or PST purposes. The amount of funding provided in this Agreement includes any GST and/or PST which may be payable by the MVRD. Any liability for GST and/or PST required in respect of this Agreement will be the responsibility of the Recipient.

## **7.0 SEPARATE FUNDS AND FINANCIAL STATEMENTS**

The books of account of the Recipient shall be kept in accordance with Generally Accepted Accounting Practices.

## **8.0 RIGHT OF AUDIT**

At any time, the MVRD may give to the Recipient written notice that it desires its representative to examine the books of account of the Recipient, and the Recipient shall produce for examination to such representative within ten days after receipt of such notice, its books of account, and the said representative shall have a right of access to all records, documents, books, accounts and vouchers of the Recipient and shall be entitled to require from the Directors and Officers of the Recipient such information and explanations as, in his/her opinion, may be necessary to enable the staff to report to the MVRD Board on the financial position of the Recipient.

## **9.0 INDEMNITY AND RELEASE**

9.1 The Recipient shall indemnify and save harmless the MVRD from and against all actions, causes of action, claims, liabilities, damages, losses, costs, legal fees, fees, fines, charges or expenses which the MVRD may incur, be threatened by or be required to pay by reason of or arising out of the provision of the Services by the Recipient, the Recipient's use of any facility where Services are provided, the breach by the Recipient of any term of this Agreement, or by the Recipient's contravention of any law, enactment or regulation of a federal, provincial or local government.

9.2 The Recipient releases the MVRD, its elected officials, appointed officers, employees and agents from and waives any claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability which the Recipient may have against any or all of them in respect of an act of the MVRD in relation to this Agreement except insofar as such claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability arises from the negligence of the MVRD, its elected officials and appointed officers, employees, agents or contractors.

9.3 This section shall survive the expiry or sooner termination of this Agreement.

## **10.0 TERMINATION**

10.1 MVRD may terminate this Agreement immediately without notice to the Recipient should:

- (a) the Recipient make an assignment in bankruptcy or is declared bankrupt; or

- (b) MVRD, in its sole discretion, determine that any of the Funds are being used in a manner contrary to the Plan or the public interest.
- 10.2 MVRD may terminate this Agreement upon giving ninety (90) days written notice to the Recipient.
- 10.3 If the MVRD terminates the Agreement for any reason, the Recipient shall immediately return any Funds that have not been spent on providing the Services. The Recipient will provide a full accounting of all Funds not returned.
- 10.4 The Recipient may terminate this Agreement upon giving thirty (30) days written notice to the MVRD should the Recipient, for any reason, be unable to meet its obligations with respect to the provision of the Services as set forth in this Agreement.
- 10.5 Upon termination by the Recipient, the Recipient shall immediately return any Funds that have not been spent on providing the Services. The Recipient will provide a full accounting of all Funds not returned.

#### **11.0 NOTICE**

- 11.1 It is hereby mutually agreed that any notice required to be given under this Agreement will be deemed to be sufficiently given:

- (a) if delivered at the time of delivery; and
- (b) if mailed from any government post in the Province of British Columbia by prepaid registered mail addressed as follows:

**To MVRD:**

Mike Redpath, Director, Regional Parks  
Metro Vancouver Regional District  
4730 Kingsway  
Burnaby, BC V5H 0C6

**To the Recipient:**

Joakim Nilsson, Chair  
Derby Reach Brae Island Parks Association  
c/o 1558 200<sup>th</sup> Street  
Langley, BC V2W 1W5

- 11.2 Unless otherwise specified herein, any notice required to be given under this Agreement by any party will be deemed to have been given if mailed by prepaid registered mail, sent by facsimile transmission, or delivered to the address of the other party set forth above or at such other address as the other party may from time to time direct in writing, and any such notice will be deemed to have been received if mailed or faxed, seventy-two (72) hours after the time of mailing or faxing and if delivered, upon the date of delivery. If normal mail service or facsimile service is interrupted by strike, slow down, force majeure or other cause, then a notice sent by the impaired means of communication will not be deemed to be received until

actually received, and the party sending the notice must utilize any other such services which have not been so interrupted or must deliver such notice in order to ensure prompt receipt thereof.

## **12.0 AUTHORIZATION**

The execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement, if any, have been duly and validly authorized by all necessary corporate action of the Recipient, and this Agreement constitutes a legal, valid and binding obligation of the Recipient enforceable against the Recipient in accordance with its terms and the persons signing this Agreement on the Recipient's behalf are duly authorized to do so.

## **13.0 TIME**

Time is of the essence in this Agreement.

## **14.0 BINDING**

In consideration of being granted the Funds, the Recipient agrees to be bound by the terms and conditions of this Agreement, and if the Recipient represents a group or organization, the Recipient agrees to inform all responsible persons associated with the group or organization of the terms and conditions of this Agreement.

## **15.0 ASSIGNMENT**

The Recipient may not assign this Agreement in whole or in part without the prior written consent of the MVRD.

## **16.0 ENUREMENT**

This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, successors and permitted assignees.

## **17.0 RELATIONSHIP OF PARTIES**

No provision of this Agreement shall be construed to create a partnership or joint venture relationship, an employer-employee relationship, a landlord-tenant, or a principal-agent relationship.

## **18.0 WAIVER**

The waiver by a party of any failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar.



## **19.0 AMENDMENTS**

This Agreement may not be modified or amended except by the written agreement of the parties.

## **20.0 WHOLE AGREEMENT**

The whole agreement between the parties is set forth in this document and no representations, warranties or conditions, express or implied, have been made other than those expressed.

## **21.0 LANGUAGE**

Wherever the singular, masculine and neuter are used throughout this Agreement, the same is to be construed as meaning the plural or the feminine or the body corporate or politic as the context so requires.

## **22.0 CUMULATIVE REMEDIES**

No remedy under this Agreement is to be deemed exclusive but will, where possible, be cumulative with all other remedies at law or in equity.

## **23.0 GOVERNING LAW AND JURISDICTION**

This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia and the parties attorn to the exclusive jurisdiction of the courts of British Columbia.

## **24.0 COUNTERPARTS**

This Agreement may be executed in counterparts with the same effect as if both parties had signed the same document. Each counterpart shall be deemed to be an original. All counterparts shall be construed together and shall constitute one and the same Agreement.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement as of the day and year first above written.

**For the METRO VANCOUVER REGIONAL DISTRICT**

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Carol Mason, Chief Administrative Officer

**For DERBY REACH BRAE ISLAND PARKS ASSOCIATION**

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Joakim Nilsson, Chair

**SCHEDULE 'A'**  
**Derby Reach Brae Island Parks Association (Recipient)**  
**2020 Plan**

The primary purpose of these funds is to provide a level of coordination for the park association/recipient, to provide capacity to serve the people and communities it reaches through its initiatives. The range of key deliverables includes:

- Enable the volunteer Board of Directors to achieve broader MVRD outcomes;
- Coordinate volunteer work parties;
- Manage volunteers;
- Provide administrative support to the Board, including record keeping as appropriate;
- Coordinate society communications with Board, committees, society members, volunteers, MVRD staff, public and Parks Association partner groups;
- Coordinate and/or conduct outreach including social media, displays and booths to increase community awareness;
- Coordinate and support events;
- Coordinate and support fundraising; and
- Coordinate programs that include MVRD messaging.

## **SCHEDULE 'B'**

### **Evaluation**

#### **Oversight:**

MVRD staff regularly interact with Derby Reach Brae Island Parks Association Board, paid Coordinators and staff/volunteers.

#### **Reporting:**

Derby Reach Brae Island Parks Association is required to provide:

- Records of volunteer hours, events, activities, participants and associated statistics annually to MVRD at the beginning of September (year to date) and the beginning of January (for previous year). These statistics are included in MVRD's annual business plan report;
- A report outlining accomplishments for the year, such as funds raised, Board development, new initiatives, number of members, new partnerships, awards and recognition, anecdotal success stories, etc.; and
- A member of the Park Association must make a presentation to the Regional Parks Committee summarizing achievements once every three years.

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To: Regional Parks Committee

From: David Leavers, Division Manager, Visitor and Operations Services, Regional Parks

Date: June 3, 2019 Meeting Date: July 10, 2019

Subject: **Minnekhada Park Association Contribution Agreement**

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**RECOMMENDATION**

That the MVRD Board approve the Contribution Agreement between the Metro Vancouver Regional District and the Minnekhada Park Association for a one-year term in the amount of \$13,000, commencing January 1, 2020 and ending December 31, 2020.

---

**PURPOSE**

To seek MVRD Board approval to enter into a one-year contribution agreement with the Minnekhada Park Association (Attachment).

**BACKGROUND**

This report has been prepared to renew the contribution agreement with Minnekhada Park Association that expires on December 31, 2019. MVRD and the Minnekhada Park Association have renewed its agreement annually since 2015. In 2019, Minnekhada Park Association received \$13,000 in funding. The primary purpose of these funds is to provide a level of coordination for the park association and to provide capacity to serve the people and communities it reaches through its initiatives. The range of key deliverables includes:

- enabling the volunteer Board of Directors to achieve broader MVRD outcomes;
- coordinating volunteer work parties;
- managing volunteers;
- providing administrative support to the Board, including record keeping as appropriate;
- coordinating society communications with Board, committees, society members, volunteers, MVRD staff, public and Parks Association partner groups;
- coordinating and/or conducting outreach including social media, displays and booths to increase community awareness;
- coordinating and supporting events;
- coordinating and supporting fundraising; and
- coordinating programs that include MVRD messaging.

**PARK PARTNERSHIP PROGRAM**

Regional Parks manage dedicated funds for capacity-building and support for park associations active in regional parks as part of a broader Park Partnership Program. The type and scope of programs and services vary among park associations based on the association's goals. Past funding of these associations has reflected the proposed use of funds, demonstration of need, and previous performance assessments.

## **CONTRIBUTION AGREEMENT**

The contribution agreement states that the primary purpose for this funding is to provide a level of coordination for the park association, to provide capacity to serve the people and communities it reaches through its initiatives.

The Minnekhada Park Association has fulfilled its prior year reporting requirements. The Minnekhada Park Association will submit an annual report to MVRD. The Association's 2018 Annual Report is available for review upon request.

### **Term**

- The term of the proposed agreement commences January 1, 2020 and ends on December 31, 2020.
- There is a provision in the agreement for early termination in the event of bankruptcy, if the funds are being used in a manner contrary to the agreement or not in the public interest, or the park association is unable to meet its agreed obligations.

### **Activities and Services**

In 2018, the Minnekhada Park Association:

- contributed in excess of 1,100 volunteer hours; and
- delivered more than 45 activities including outreach projects, events and educational programs to over 840 participants.

It is proposed that 2020 funds will be used to secure a coordinator to deliver their popular to support communication and fundraising efforts, manage stewardship work parties, and increase volunteer engagement.

## **ALTERNATIVES**

1. That the MVRD Board approve the Contribution Agreement between the Metro Vancouver Regional District and the Minnekhada Park Association for a one-year term in the amount of \$13,000, commencing January 1, 2020 and ending December 31, 2020.
2. That the MVRD Board receive for information the report dated June 3, 2019, titled "Minnekhada Park Association Contribution Agreement" and provide alternate direction to staff.

## **FINANCIAL IMPLICATIONS**

The 2018-2022 Metro Vancouver Regional Parks 5-year financial plan included an \$83,000 annual allocation for 2020 for capacity-building support for park associations active in regional parks as part of a broader Park Partnership Program. Funding is to be used to support opportunities for citizens to help preserve, protect and enhance regional parks while advocating for greater public connectivity to nature.

This contribution agreement proposes a one-year funding amount of \$13,000 for the Minnekhada Park Association. If the MVRD Board approves Alternative 1, the 2020 Regional Parks budget will continue to include a provision for this funding as a portion of the overall \$83,000 annual budget.

**Table A – 2020 Allocations**

Boundary Bay	\$ 7,000
Burnaby Lake	\$13,000
Colony Farm	\$ 5,000
Derby Reach / Brae Island	\$15,000
KEEPS	\$15,000
Minnekhada	\$13,000
Pacific Spirit	\$15,000
<b>TOTAL</b>	<b>\$83,000</b>

Payment will be made to the Minnekhada Park Association by January 31, 2020.

**SUMMARY / CONCLUSION**

Alternative 1 meets Metro Vancouver's requirements for the provision of contribution funds to the Minnekhada Park Association. Proposed funding supports the Minnekhada Park Association's capacity to provide community benefit to Metro Vancouver Regional Parks through their many volunteer programs and services. Staff recommend approval of Alternative 1.

**Attachment**

Contribution Agreement – Minnekhada Park Association (29502887)

29502887

CONTRIBUTION AGREEMENT

THIS AGREEMENT made the \_\_\_\_ day of \_\_\_\_\_, 2019

BETWEEN:

**METRO VANCOUVER REGIONAL DISTRICT**

4730 Kingsway  
Burnaby, BC  
V5H 0C6

("MVRD")

AND:

**MINNEKHADA PARK ASSOCIATION**

c/o 9146 Avalon Avenue  
Burnaby, BC  
V3N 4G8

(the "Recipient")

**WHEREAS:**

- A. The Recipient is a non-profit society. The purpose of the Minnekhada Park Association is to preserve, protect and enhance the natural environment of Minnekhada Regional Park, while furthering respect, appreciation and enjoyment of the Park's natural and historical attributes as well as recreational resources.
- B. The Recipient has requested to receive, and the MVRD has agreed to provide funds to the Recipient for a purpose beneficial to the community or an aspect of the community; and
- C. Section 176(1) (c) of the *Local Government Act* provides that the MVRD may provide assistance for the purpose of benefitting the community or any aspect of the community.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises, terms and conditions to be hereinafter contained (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree each with the other as follows:

**1.0 INTERPRETATION**

In this Agreement the following terms have the following meanings:

**"Agreement"** means this agreement and the appended schedules.



**“Plan”** means the plan set out in Schedule A of the Agreement which sets out the specific purpose or activities for which the Recipient may use the funds provided to the Recipient under this Agreement.

**“Services”** means any activities or services set out in the Plan.

## **2.0 TERM**

The term of this Agreement will commence on January 1, 2020, and end on December 31, 2020, (the **“Term”**) unless otherwise terminated as provided herein.

## **3.0 SERVICES**

- 3.1 The Recipient shall only use the funds provided in accordance with Article 4.0 (the **“Funds”**) to provide Services in accordance with the terms and conditions of this Agreement.
- 3.2 The Recipient shall, at the MVRD’s written request, provide all information required to enable the MVRD to evaluate, using the criteria set out in Schedule B, the Recipient’s provision of the Services.
- 3.3 The Recipient will provide the Services under the terms of the Agreement subject to any applicable bylaws of the MVRD and local municipality, and applicable legislation and regulations and in a manner consistent with any applicable guidelines provided by the MVRD.
- 3.4 MVRD must approve any changes to the Plan or Services in writing prior to the changes being made during the Term.
- 3.5 If the Recipient makes changes without the prior approval of the MVRD pursuant to section 3.4, the MVRD may, at its sole discretion, withdraw the Funds and immediately terminate the Agreement.

## **4.0 FUNDING AND PAYMENT**

- 4.1 MVRD has agreed to provide the Funds to support the Recipient’s provision of the Services, in accordance with section 4.3.
- 4.2 The payment of Funds is subject to the MVRD being satisfied that the Recipient will perform the Services in accordance with the Plan and all requirements under the Agreement.
- 4.3 MVRD shall pay by cheque or ETF the sum of \$13,000 for the provision of the Services by January 31, 2020.

## **5.0 REPORTING**

The Recipient shall report to the MVRD in accordance with the requirements of the reporting section of Schedule B.

## **6.0 TAXES**

It is the Recipient's responsibility to determine whether or not it has to be registered for GST and/or PST purposes. The amount of funding provided in this Agreement includes any GST and/or PST which may be payable by the MVRD. Any liability for GST and/or PST required in respect of this Agreement will be the responsibility of the Recipient.

## **7.0 SEPARATE FUNDS AND FINANCIAL STATEMENTS**

The books of account of the Recipient shall be kept in accordance with Generally Accepted Accounting Practices.

## **8.0 RIGHT OF AUDIT**

At any time, the MVRD may give to the Recipient written notice that it desires its representative to examine the books of account of the Recipient, and the Recipient shall produce for examination to such representative within ten days after receipt of such notice, its books of account, and the said representative shall have a right of access to all records, documents, books, accounts and vouchers of the Recipient and shall be entitled to require from the Directors and Officers of the Recipient such information and explanations as, in his/her opinion, may be necessary to enable the staff to report to the MVRD Board on the financial position of the Recipient.

## **9.0 INDEMNITY AND RELEASE**

9.1 The Recipient shall indemnify and save harmless the MVRD from and against all actions, causes of action, claims, liabilities, damages, losses, costs, legal fees, fees, fines, charges or expenses which the MVRD may incur, be threatened by or be required to pay by reason of or arising out of the provision of the Services by the Recipient, the Recipient's use of any facility where Services are provided, the breach by the Recipient of any term of this Agreement, or by the Recipient's contravention of any law, enactment or regulation of a federal, provincial or local government.

9.2 The Recipient releases the MVRD, its elected officials, appointed officers, employees and agents from and waives any claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability which the Recipient may have against any or all of them in respect of an act of the MVRD in relation to this Agreement except insofar as such claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability arises from the negligence of the MVRD, its elected officials and appointed officers, employees, agents or contractors.

9.3 This section shall survive the expiry or sooner termination of this Agreement.

## **10.0 TERMINATION**

10.1 MVRD may terminate this Agreement immediately without notice to the Recipient should:

- (a) the Recipient make an assignment in bankruptcy or is declared bankrupt; or

- (b) MVRD, in its sole discretion, determine that any of the Funds are being used in a manner contrary to the Plan or the public interest.
- 10.2 MVRD may terminate this Agreement upon giving ninety (90) days written notice to the Recipient.
- 10.3 If the MVRD terminates the Agreement for any reason, the Recipient shall immediately return any Funds that have not been spent on providing the Services. The Recipient will provide a full accounting of all Funds not returned.
- 10.4 The Recipient may terminate this Agreement upon giving thirty (30) days written notice to the MVRD should the Recipient, for any reason, be unable to meet its obligations with respect to the provision of the Services as set forth in this Agreement.
- 10.5 Upon termination by the Recipient, the Recipient shall immediately return any Funds that have not been spent on providing the Services. The Recipient will provide a full accounting of all Funds not returned.

#### **11.0 NOTICE**

- 11.1 It is hereby mutually agreed that any notice required to be given under this Agreement will be deemed to be sufficiently given:

- (a) if delivered at the time of delivery; and
- (b) if mailed from any government post in the Province of British Columbia by prepaid registered mail addressed as follows:

**To MVRD:**

Mike Redpath, Director, Regional Parks  
Metro Vancouver Regional District  
4730 Kingsway  
Burnaby, BC V5H 0C6

**To the Recipient:**

Roger Loubert, Chair  
Minnekhada Park Association  
c/o 9146 Avalon Avenue  
Maple Ridge, BC V3N 4G8

- 11.2 Unless otherwise specified herein, any notice required to be given under this Agreement by any party will be deemed to have been given if mailed by prepaid registered mail, sent by facsimile transmission, or delivered to the address of the other party set forth above or at such other address as the other party may from time to time direct in writing, and any such notice will be deemed to have been received if mailed or faxed, seventy-two (72) hours after the time of mailing or faxing and if delivered, upon the date of delivery. If normal mail service or facsimile service is interrupted by strike, slow down, force majeure or other cause, then a notice sent by the impaired means of communication will not be deemed to be received until

actually received, and the party sending the notice must utilize any other such services which have not been so interrupted or must deliver such notice in order to ensure prompt receipt thereof.

## **12.0 AUTHORIZATION**

The execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement, if any, have been duly and validly authorized by all necessary corporate action of the Recipient, and this Agreement constitutes a legal, valid and binding obligation of the Recipient enforceable against the Recipient in accordance with its terms and the persons signing this Agreement on the Recipient's behalf are duly authorized to do so.

## **13.0 TIME**

Time is of the essence in this Agreement.

## **14.0 BINDING**

In consideration of being granted the Funds, the Recipient agrees to be bound by the terms and conditions of this Agreement, and if the Recipient represents a group or organization, the Recipient agrees to inform all responsible persons associated with the group or organization of the terms and conditions of this Agreement.

## **15.0 ASSIGNMENT**

The Recipient may not assign this Agreement in whole or in part without the prior written consent of the MVRD.

## **16.0 ENUREMENT**

This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, successors and permitted assignees.

## **17.0 RELATIONSHIP OF PARTIES**

No provision of this Agreement shall be construed to create a partnership or joint venture relationship, an employer-employee relationship, a landlord-tenant, or a principal-agent relationship.

## **18.0 WAIVER**

The waiver by a party of any failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar.

## **19.0 AMENDMENTS**

This Agreement may not be modified or amended except by the written agreement of the parties.

## **20.0 WHOLE AGREEMENT**

The whole agreement between the parties is set forth in this document and no representations, warranties or conditions, express or implied, have been made other than those expressed.

## **21.0 LANGUAGE**

Wherever the singular, masculine and neuter are used throughout this Agreement, the same is to be construed as meaning the plural or the feminine or the body corporate or politic as the context so requires.

## **22.0 CUMULATIVE REMEDIES**

No remedy under this Agreement is to be deemed exclusive but will, where possible, be cumulative with all other remedies at law or in equity.

## **23.0 GOVERNING LAW AND JURISDICTION**

This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia and the parties attorn to the exclusive jurisdiction of the courts of British Columbia.

## **24.0 COUNTERPARTS**

This Agreement may be executed in counterparts with the same effect as if both parties had signed the same document. Each counterpart shall be deemed to be an original. All counterparts shall be construed together and shall constitute one and the same Agreement.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement as of the day and year first above written.

**For the METRO VANCOUVER REGIONAL DISTRICT**

---

Carol Mason, Chief Administrative Officer

**For MINNEKHADA PARK ASSOCIATION**

---

Roger Loubert, Chair

**SCHEDULE 'A'**  
**Minnekhada Park Association (Recipient)**  
**2020 Plan**

The primary purpose of these funds is to provide a level of coordination for the park association/recipient, to provide capacity to serve the people and communities it reaches through its initiatives. The range of key deliverables includes:

- Enable the volunteer Board of Directors to achieve broader MVRD outcomes;
- Coordinate volunteer work parties;
- Manage volunteers;
- Provide administrative support to the Board, including record keeping as appropriate;
- Coordinate society communications with Board, committees, society members, volunteers, MVRD staff, public and Parks Association partner groups;
- Coordinate and/or conduct outreach including social media, displays and booths to increase community awareness;
- Coordinate and support events;
- Coordinate and support fundraising; and
- Coordinate programs that include MVRD messaging.

## **SCHEDULE 'B'**

### **Evaluation**

#### **Oversight:**

MVRD staff regularly interact with Minnehada Park Association Board, paid Coordinators and staff/volunteers.

#### **Reporting:**

Minnehada Park Association is required to provide:

- Records of volunteer hours, events, activities, participants and associated statistics annually to MVRD at the beginning of September (year to date) and the beginning of January (for previous year). These statistics are included in MVRD's annual business plan report;
- A report outlining accomplishments for the year, such as funds raised, Board development, new initiatives, number of members, new partnerships, awards and recognition, anecdotal success stories, etc.; and
- A member of the Park Association must make a presentation to the Regional Parks Committee summarizing achievements once every three years.



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To: Climate Action Committee

From: Roger Quan, Director, Air Quality and Climate Change  
Jason Emmert, Senior Planner  
Conor Reynolds, Division Manager, Air Quality and Climate Change Policy  
Planning and Environment Department

Date: June 17, 2019 Meeting Date: July 12, 2019

Subject: **Aligning *Climate 2050* with the IPCC Special Report on Global Warming of 1.5°C**

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**RECOMMENDATION**

That the MVRD Board:

- a) endorse the proposed amendments to the *Climate 2050 Strategic Framework* to reflect a commitment to a carbon neutral region by 2050, and an interim target of reducing greenhouse gas emissions by 45% from 2010 levels by 2030;
  - b) direct staff to bring forward a proposed amendment to *Metro 2040*, the regional growth strategy, to the Metro Vancouver Board for consideration, to incorporate revised greenhouse gas reduction targets (including interim targets).
- 

**PURPOSE**

To advise the Climate Action Committee and MVRD Board on proposed measures to align Metro Vancouver's greenhouse gas (GHG) emissions reductions targets and actions with the latest science in the Intergovernmental Panel on Climate Change (IPCC) Special Report on Global Warming of 1.5°C.

**BACKGROUND**

At its March 29, 2019 meeting, the MVRD Board adopted the following resolution:

*That the Metro Vancouver Regional District Board direct staff to report back with measures necessary to align Metro Vancouver's Climate 2050 Strategic Framework and Roadmaps with the 2018 Intergovernmental Panel on Climate Change special report on global warming, and to report back with recommended changes to Climate 2050 Strategic Framework targets, including interim targets.*

Metro Vancouver's current targets (33% reduction in GHGs by 2020 and 80% by 2050, compared with 2007 levels) were adopted as part of *Metro Vancouver 2040: Shaping our Future*, the regional growth strategy, and are reflected in the *Climate 2050 Strategic Framework*. Metro Vancouver is currently implementing *Climate 2050* through a series of *Roadmaps*, which will describe goals, strategies, and actions to reduce GHGs and adapt to climate change impacts in each of ten issue areas. Metro Vancouver is also developing a new *Clean Air Plan*, which will identify actions to reduce air contaminant and GHG emissions in the region over the next five to ten years, and which will be aligned with the *Climate 2050 Roadmaps*.

The Board held its strategic planning workshop in April 2019 and the *2019-2022 Board Strategic Plan* is the subject of Report 5.1 in the Climate Action Committee's July 12, 2019 agenda. The report describes new strategic directions for air quality and climate change for the Committee's consideration and endorsement.

This report outlines the proposed steps to amend the targets and actions in Metro Vancouver's policy documents to more closely align with the level of global emissions reductions necessary to keep average global temperature rise below 1.5°C, and direction in the *2019-2022 Board Strategic Plan*.

### **LIMITING GLOBAL WARMING TO 1.5°C**

The Intergovernmental Panel on Climate Change (IPCC) is the United Nations body that provides the global community with regular assessments of the scientific basis of climate change, its impacts and future risks, as well as options for adaptation and mitigation. The October 2018 IPCC Special Report on Global Warming of 1.5°C highlights the importance of maintaining global temperature rise to a maximum of 1.5°C above pre-industrial levels (Reference 1). The report also sets out technological and energy system changes necessary to maintain global average temperatures at this level. To achieve this, the report indicates that global net carbon emissions (i.e., greenhouse gases – CO<sub>2</sub>, methane, and nitrous oxide – as well as other climate forcers such as black carbon) will need to be reduced by about 45% below 2010 levels by 2030, net zero by 2050, and net negative in the second half of the century.

A staff report was presented to the Climate Action Committee at its March 15, 2019, meeting, describing the IPCC Special Report, as it is a key climate change development since the adoption of the *Climate 2050 Strategic Framework* (Reference 2).

### **Avoiding Climate Breakdown**

According to the IPCC, the global average temperature has already risen by 1°C and impacts on natural and human systems are already being observed, including more severe storms, flooding, drought, forest fires, and species extinction around the world. The severity of future climate-related risks depends on the rate, peak and duration of warming. Each degree of additional warming beyond 1.5°C will increase the impacts and make it increasingly difficult for human society to adapt. If global GHG emissions continue as projected (based on current commitments), global temperature is projected to rise by 3°C.

### **Climate Risks to the Metro Vancouver Region**

Metro Vancouver is already experiencing the impacts of climate change. As one example, the region has been impacted by smoke from unprecedented wildfire activity in western North America in three of the past four summers. Expected future climate impacts include more wildfire smoke, an increase in rainfall intensity by 20-45% by 2050 and 40-75% by 2100, and at least 1 meter of sea level rise. This level of environmental change will entail significant costs and impact quality of life for residents and businesses in the region.

Metro Vancouver's Climate Projections Report summarizes the impacts of climate change expected under a business as usual emissions scenario, with 3°C temperature rise (Reference 3), as well as impacts on precipitation and stormwater management (Reference 4).

### **Global Equity Considerations**

The IPCC Special Report also highlights the need to consider global equity and the uneven distribution of climate impacts on poor and disadvantaged people around the world. Historically, and continuing to this day, wealthier countries have contributed more GHGs to the atmosphere and in the process have realized an abundance of social and economic benefits. The IPCC report states that, to take responsibility for past emissions and the associated climate impacts around the world, wealthier countries have an obligation to make deeper emissions reductions than lower income countries, as well as to help those countries follow a low-carbon pathway as their per capita income rises.

### **CLIMATE EMERGENCY DECLARATIONS AND NEW TARGETS**

Recognizing the urgent need to keep global temperature rise below 1.5°C, national, state and local governments around the world are declaring climate emergencies and adjusting greenhouse gas emission reduction targets. The revised targets are now driving accelerated actions to reduce emissions. In Canada more than 250 local governments, many in Quebec, have declared climate emergencies. A number of local governments in Metro Vancouver and across British Columbia have also taken similar steps.

### **Targets Consistent with the IPCC Special Report**

To align local targets with global targets, local jurisdictions around the world have committed to achieving zero or near zero carbon emissions by 2050. Some of the common terms used by jurisdictions to articulate their commitment to deep emission reductions include carbon neutral, net zero emissions, and 100% renewable energy. Carbon neutral and net zero emissions are functionally equivalent, with both meaning that, on balance, a jurisdiction will emit no GHG emissions into the atmosphere. 100% renewable energy is another target that focusses on emissions associated with the energy used in a jurisdiction, but it does not necessarily result in that jurisdiction being carbon neutral. A 100% renewable energy target can be complementary to carbon neutrality, as it can yield significant emission reductions and can be easily connected to tangible changes in everyday life.

The definitions and approaches to achieving deep emission reductions vary to some degree from jurisdiction to jurisdiction. However, most approaches include: a dramatic increase in the use of clean, renewable, non-fossil fuel energy sources (such as renewable electricity and biogas); a combination of demand-side energy efficiency across all sectors of the economy (such as in heating equipment for new buildings); and shifts in land-use and transportation approaches. Practically, achieving a carbon neutral region means that any remaining emissions must be balanced by “negative emissions”, i.e., by sequestering an equivalent amount of carbon dioxide through ecological and technological approaches. The IPCC Special Report indicates that, after 2050, net negative emissions will be required in the second half of the century to keep global temperature rise below 1.5°C.

There are a number of global initiatives for local governments that are adopting commitments to zero and near zero emission reduction targets, such as:

- **Carbon Neutral Cities Alliance**, a collaboration of leading global cities working to cut greenhouse gas emissions by 80-100% by 2050 or sooner; and

- **Global 100% RE Cities/Renewable Cities**, an initiative where participating cities and other jurisdictions have committed to 100% renewable energy in the power, heating/cooling, and transport sectors.

### **PROPOSED 2050 AND INTERIM TARGETS**

Consistent with direction from the Climate Action Committee and Board, and in the *2019-2022 Board Strategic Plan*, staff recommend that Metro Vancouver adopt the following targets:

- become a “carbon neutral region” by 2050; and
- reduce greenhouse gas emissions by 45% from 2010 levels by 2030.

This approach would align Metro Vancouver’s 2050 GHG targets with the science summarized in the IPCC Special Report, which states the need for net zero emissions by 2050 in order to keep global temperature rise below 1.5°C and avoid climate breakdown.

In the Metro Vancouver regional context, achieving carbon neutrality would require achieving the deepest GHG emissions reductions possible across all economic sectors, and would likely require a commitment to using 100% renewable, fossil fuel-free energy by 2050. It would also mean that any remaining emissions would need to be balanced by removing carbon dioxide from the atmosphere through methods such as reforestation, bog restoration, enhanced carbon storage in aquatic ecosystems, improvements in agricultural soil greenhouse gas management, and potentially the use of technological carbon capture and storage at energy plants and industrial facilities.

By adopting a commitment to become a carbon neutral region, the Metro Vancouver region would become a member of the leadership group of metropolitan regions taking climate action in line with the recommendations of the IPCC. In adopting this target, Metro Vancouver can set the path towards carbon neutrality, but it will not be able to achieve the target on its own. No single jurisdiction can obtain the necessary reductions in regional emissions without significant cooperation, collaboration, and commitment from member jurisdictions, other orders of government, partner organizations, stakeholders, and the public.

Interim GHG reduction targets will help define the path towards a carbon neutral region. The interim target of 45% reduction by 2030 aligns with the IPCC Special Report.

### **Proposed Next Steps to Adopt New 2050 Target and Interim Target**

As part of the development of the *Climate 2050 Roadmaps* and the *Clean Air Plan*, Metro Vancouver will be proposing specific goals, strategies and actions that define the path towards a carbon neutral region, including an interim GHG reduction target. In conjunction with the development of these *Roadmaps*, Metro Vancouver is exploring enhanced and new approaches to reducing GHG emissions in the region, including under its authority to control the discharge of air contaminants and manage air quality in the region.

Recognizing the legislated requirements for establishing GHG emission targets and the processes underway to develop the *Climate 2050 Roadmaps* and the *Clean Air Plan*, staff are proposing the following steps to align these policy documents with a carbon neutral region and interim targets.

- 1) Amend the *Climate 2050 Strategic Framework* as per Attachment 1, including amending the vision statement to:  
*Metro Vancouver demonstrates bold leadership in responding to climate change*
  - *Ensuring our infrastructure, ecosystems, and communities are resilient to the impacts of climate change, and*
  - *Pursuing a carbon neutral region by 2050.*
- 2) As part of the development of the *Climate 2050 Roadmaps*, identify a comprehensive set of substantive emission reduction actions that will set the region on the path towards achievement of the interim target and longer term carbon neutrality. This will include an analysis of the impact of the actions by other orders of government and other key stakeholders.
- 3) Include the 2050 target for a carbon neutral region, and interim target in the first iteration of the *Climate 2050 Roadmaps* as they are developed. Also include the targets in the forthcoming *Clean Air Plan* engagement process, as part of the new *Clean Air Plan*.
- 4) Bring forward a proposed amendment to *Metro 2040*, the regional growth strategy, for Board consideration, to integrate the 2050 target for a carbon neutral region and interim greenhouse gas reduction targets.
- 5) Continue to implement climate actions to make progress toward the targets.

#### **ALTERNATIVES**

1. That the MVRD Board:
  - a) endorse the proposed amendments to the *Climate 2050 Strategic Framework* to reflect a commitment to a carbon neutral region by 2050, and an interim target of reducing greenhouse gas emissions by 45% from 2010 levels by 2030;
  - b) direct staff to bring forward a proposed amendment to *Metro 2040*, the regional growth strategy, to the Metro Vancouver Board for consideration, to incorporate revised greenhouse gas reduction targets (including interim targets).
2. That the MVRD Board receive for information the report titled “Aligning Climate 2050 with the IPCC Special Report on Global Warming of 1.5°C”, dated June 17, 2019 and provide alternate direction to staff.

#### **FINANCIAL IMPLICATIONS**

The development of the *Climate 2050 Roadmaps* has been included in the 2019 operating budget. Re-assessment of greenhouse gas reduction targets and actions, the development of interim targets, and the incorporation of these into the *Climate 2050 Strategic Framework*, and the *Climate 2050 Roadmaps* has been accommodated within existing budgets.

If the Board approves Alternative 1, the additional financial implications of adopting a carbon neutral region target for 2050, and an interim target of 45% reduction by 2030, will be incorporated into annual and 5-year work plans and long term financial planning within each of Metro Vancouver’s legal entities, as appropriate. As outlined in the *Climate 2050 Strategic Framework*, the 2020 provisional budget will include resources necessary to complete the *Climate 2050 Roadmaps*, and associated climate actions to meet the revised targets.

## SUMMARY / CONCLUSION

Consistent with direction from the Climate Action Committee and Board, and in the 2019-2022 Board Strategic Plan, this report outlines the proposed steps to align Metro Vancouver's greenhouse gas reduction targets and actions with the IPCC Special Report on Global Warming of 1.5°C, by committing to pursuing a carbon neutral region by 2050, with an interim target of 45% reduction by 2030. Through this commitment, the Metro Vancouver region would become a member of the leadership group of metropolitan regions taking climate action in line with the recommendations of the IPCC. In adopting these targets, Metro Vancouver can set the path towards carbon neutrality, but it will not be able to achieve the targets on its own. To obtain the necessary reductions in regional emissions, significant cooperation, collaboration, and commitment will be required from member jurisdictions, other orders of government, partner organizations, stakeholders, and the public.

As part of the development of the *Climate 2050 Roadmaps* and the *Clean Air Plan*, Metro Vancouver will identify the goals, strategies, and actions necessary to achieve the targets. Metro Vancouver will adopt the revised targets and actions as part of the *Climate 2050 Roadmaps*, *Clean Air Plan* and *Metro 2040*. Staff recommend Alternative 1, that the Climate Action Committee support the proposed amendments to the *Climate 2050 Strategic Framework*, and forward the recommendations to the MVRD Board for consideration.

## Attachment

Revised *Climate 2050 Strategic Framework* (29699161)

## References

1. [IPCC Special Report on Global Warming of 1.5°C](#)
2. [Key Climate Change Developments Since the Adoption of the Climate 2050 Strategic Framework](#)
3. [Metro Vancouver Climate Projections Report](#)
4. [Climate change Impacts on Precipitation and Stormwater for 2050 and 2100 – Technical brief](#)

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DRAFT

# Climate 2050 STRATEGIC FRAMEWORK

SEPTEMBER 2018



SERVICES AND SOLUTIONS FOR A LIVABLE REGION

Metro Vancouver Regional District



Metro Vancouver acknowledges the input and feedback that contributed to the development of this *Climate 2050 Strategic Framework*. Input came from a range of organizations and individuals including other orders of government, First Nations, industry and business associations, academics, Metro Vancouver's members, and many engaged residents, with particular note to the youth from across the region who provided an inspiring and motivating voice. The support and guidance of Metro Vancouver's Climate Action Committee is gratefully acknowledged.

The *Climate 2050 Strategic Framework* document is first published in 2018. Further content, resources, a history of current and past climate actions, and the next stages to develop the actions and supporting policies can be found at [metrovancover.org](http://metrovancover.org), search 'Climate 2050'.

Metro Vancouver is a federation of 21 municipalities, one Electoral Area and one Treaty First Nation that collaboratively plans for and delivers regional-scale services. Its core services are drinking water, wastewater treatment and solid waste management. Metro Vancouver also regulates air quality, plans for urban growth, manages a regional parks system and provides affordable housing. The regional district is governed by a Board of Directors of elected officials from each local authority.

Member jurisdictions of Metro Vancouver include:

Village of Anmore	City of North Vancouver
Village of Belcarra	District of North Vancouver
Bowen Island Municipality	City of Pitt Meadows
City of Burnaby	City of Port Coquitlam
City of Coquitlam	City of Port Moody
City of Delta	City of Richmond
Electoral Area A	City of Surrey
City of Langley	Tsawwassen First Nation
Township of Langley	City of Vancouver
Village of Lions Bay	District of West Vancouver
City of Maple Ridge	City of White Rock
City of New Westminster	



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# INTRODUCTION

## Climate Change: The Challenge and Opportunity

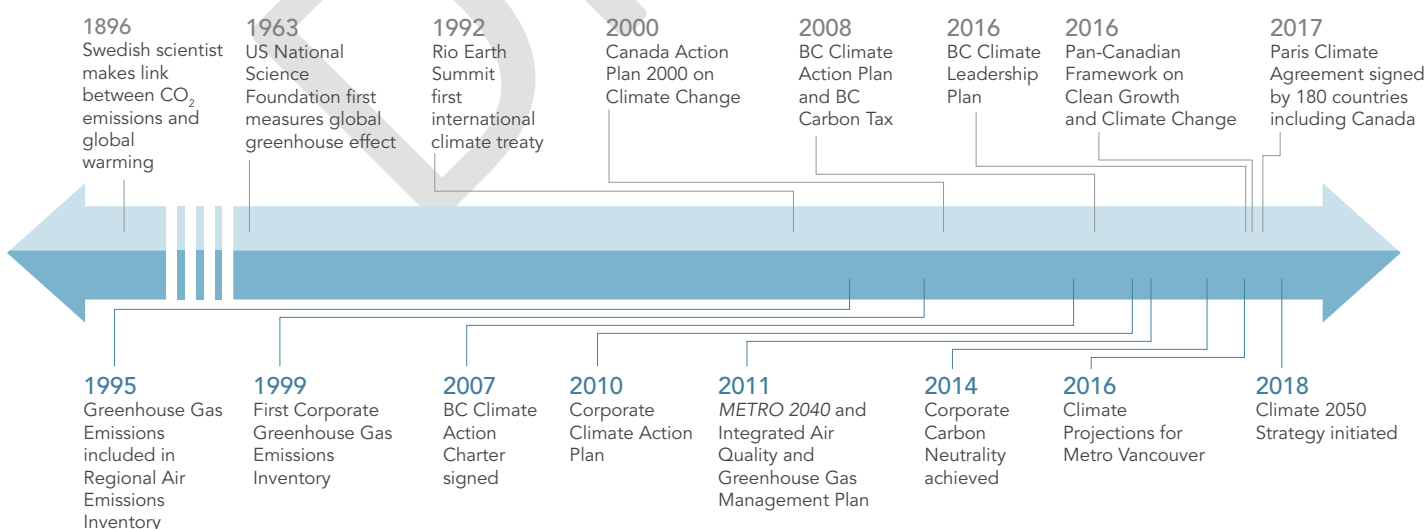
Climate Change is both a global and a local challenge, and it is already affecting our planet and our region in profound ways, making our summers hotter and drier, our winters warmer and wetter, and increasing the occurrence of extreme weather events. Furthermore, when climate change is viewed in the context of other challenges like affordability, equity, shifting jobs, economic insecurity, and the degradation of natural systems, it becomes clear that our response needs to be closely linked with other regional goals and initiatives.

Without strong action to reduce greenhouse gas emissions, both locally and globally, these trends will accelerate over the coming decades and it will become increasingly difficult and expensive to maintain the high quality of life

we experience in our region. At the same time, we need to ensure our ecosystems, infrastructure, and communities are resilient to the climate changes that have already been locked in due to past and current greenhouse gas emissions.

Every challenge that presents an opportunity and a robust, thoughtful response to climate change will create a more livable and sustainable region. Actions to adapt our communities and reduce greenhouse gas emissions can save money, create new businesses, improve air quality, protect nature, and provide many other benefits. Addressing this challenge effectively and taking advantage of these opportunities requires bold leadership and broad collaboration.

## Global and Canadian Climate Action Milestones



## Metro Vancouver Climate Action Milestones

## Accelerating Early Success

Metro Vancouver and its 23 member jurisdictions have been enacting climate policy and taking climate action for over 20 years. For example, 18 years ago Metro Vancouver upgraded the energy system at Annacis Island Wastewater Treatment Plant to utilize more biogas to generate heat and electricity for the treatment processes. These upgrades significantly reduced the amount of natural gas used by the plant and its greenhouse gas emissions.

In 2008 the Metro Vancouver Regional District Board adopted a regional target of 80% reduction in greenhouse gas emissions below 2007 levels by 2050 and climate policies and actions are embedded in Metro Vancouver's management plans. For example, *Metro Vancouver 2040: Shaping Our Future (Metro 2040)*, the regional growth strategy, sets the framework for compact, complete communities that support a sustainable urban form and low carbon modes of transportation like walking, cycling and transit.

Within the water, liquid waste, and solid waste utilities, Metro Vancouver is reducing greenhouse gas emissions from its operations and recovering resources and energy from its waste streams, as well as planning improvements to the climate resilience of regional infrastructure. Actions in the *Integrated Air Quality and Greenhouse Gas Management Plan* enable policies and programs to support Metro Vancouver's member jurisdictions, businesses, and residents in reducing greenhouse gas emissions. In 2019, Metro Vancouver initiated development of a new Clean Air Plan in conjunction with Climate 2050 that will advance greenhouse gas reduction actions in the region.

Despite this progress, we need to do more if our region and planet are to continue supporting a high quality of life for future generations. In 2015, the Metro Vancouver Board of Directors directed staff to incorporate strategies and actions into all Metro Vancouver functions to mitigate and adapt to climate change, and to develop and implement

a regional climate action strategy, now called the *Climate 2050* strategy. In 2019, the MVRD Board amended this *Climate 2050 Strategic Framework*, committing to a carbon neutral region and associated interim targets.

## Climate Action Yields Many Benefits

Climate actions yield a range of benefits and opportunities that improve our quality of life. The adoption of electric vehicles reduces greenhouse gas emissions and other types of air pollution. Energy efficient homes and buildings are more comfortable and healthier. Protecting and enhancing natural areas and robust ecosystems increases our resiliency to climate change through flood control and heat reduction, while also providing increased support for biodiversity and human health and well-being. A region better prepared for climate risks like sea level rise, flooding and heat events is also better prepared for other major risks such as earthquakes.

The shift to a circular economy underpinned by renewable, low carbon energy is already generating thousands of new local jobs and businesses. New entrepreneurs and well-established businesses are creating new goods and services that turn waste into resources. Entrants into the market are offering new low carbon transportation options as well as products that support the building of energy efficient homes.

Continued local government leadership and investment in a resilient, low carbon future will contribute to additional economic opportunities in clean transportation, renewable energy, energy efficient buildings, recycling, local food, clean tech, and many other sectors.

## Fairness, Equity and Affordability

Climate change will not affect everyone in the region to the same degree. Lower income and socially marginalized populations will have more difficulty coping with the impacts of climate change. Those with less financial resources will have fewer options to protect themselves when a major weather event occurs, and may have more difficulty recovering from impacts. They are more likely to have more difficulty adapting their homes to protect them from extreme weather events, less access to green spaces or air conditioning, and may have underlying health issues that can be exacerbated by extreme heat and air pollution.

Policies and programs to reduce greenhouse gas emissions and adapt to the changing climate must not exacerbate existing economic, social, or geographic disparities. The design of policies and programs should consider how low carbon options for transportation and buildings can be accessible to all Metro Vancouver residents. They should also strengthen relationships with First Nations including contributing to Reconciliation with First Nations peoples in the region.

Fairness, equity, and affordability will be central considerations in the development of goals, strategies and actions for the *Climate 2050* strategy.



## Leadership, Collaboration, and Local Expertise

Metro Vancouver and other orders of governments play a role in establishing policies, delivering programs, and setting regulations, but effective climate action will require the efforts of all orders of government, combined with the energy, expertise and innovation of residents, businesses, academia and non-profit organizations. As a regional federation, Metro Vancouver has an important leadership role to innovate and demonstrate best practices, convene member jurisdictions to collaborate on joint initiatives, and liaise with other orders of governments.

Our region has become a hub for innovators, businesses, and professionals working on sustainability and climate change problems. *Climate 2050* will draw upon local and traditional knowledge from experts in the region, as well as global best practices. Such expertise will help develop solutions to local challenges and ideas that can contribute to climate action in other parts of the world.

The traditional knowledge of the region's First Nations has accumulated over thousands of years, and can also be incorporated into planning processes that identify climate action priorities. Combining traditional knowledge and wisdom with new information, evidence and technologies can help Metro Vancouver develop more holistic strategies and actions that address the short term challenges while still considering the long term sustainability of our communities.



## LOCAL GOVERNMENTS LEADING ON CLIMATE ACTIONS

While federal governments are building an international consensus on climate action, local governments are working together to respond to climate change. Provincial, national and international organizations are linking local governments together to share climate change information and best practices, reaffirm commitments, and advocate to other orders of government. Some of the leading organizations are described here:

**C40 Cities Climate Leadership** – A network of the world's megacities that are committed to addressing global climate change, C40 supports cities to collaborate effectively, share knowledge and drive meaningful, measurable and sustainable action on climate change. C40 currently has 17 networks that cover the mitigation, adaptation and sustainability topics that are of highest priority to C40 cities and that have the potential for the greatest climate impact. [c40.org](http://c40.org)

**BC Municipal Climate Leadership Council (BCMCLC)** – A group of Mayors and Councillors from large and small communities across BC who have volunteered to help other locally elected officials advance climate action through leadership that goes beyond politics as usual. The Council provides non-partisan education, support and mentoring for peers on the value of taking climate action in their communities. [bcmclc.ca](http://bcmclc.ca)

**Federation of Canadian Municipalities** – Partners for Climate Protection Program is a network of 350 Canadian municipal governments that have committed to reducing greenhouse gases and acting on climate change. A five-milestone process guides members through the process of creating greenhouse gas inventories, setting reduction targets, developing local action plans, implementing actions, and monitoring and reporting on results. [pcphub.fcm.ca](http://pcphub.fcm.ca)

**Climate Mayors** – Climate Mayors (aka the Mayors National Climate Action Agenda) is a Mayor-to-Mayor network of US Mayors collaborating on climate. Cities are pursuing actions to achieve their emissions reduction objectives through undertaking community greenhouse gas inventories, setting targets to reduce emissions, and developing climate action plans. [climatemayors.org](http://climatemayors.org)





**Global Covenant of Mayors for Climate and Energy** – An international alliance of cities and local governments with a shared long-term vision of promoting and supporting voluntary action to combat climate change and move to a low emission, resilient society. This alliance serves cities and local governments by mobilizing and supporting ambitious, measurable, and planned climate and energy action in their communities. It emphasizes the importance of both climate change mitigation and adaptation, as well as increased access to clean and affordable energy.  
[globalcovenantofmayors.org](http://globalcovenantofmayors.org)

**Building Adaptive & Resilient Communities (BARC) Network** – A network of Canadian communities, hosted by ICLEI Canada, which shares experience in responding to the impacts of climate change and strategies to protect the people, property, and prosperity of your community.  
[icleicanada.org/programs/adaptation](http://icleicanada.org/programs/adaptation)

# VISION AND GUIDING PRINCIPLES

## Vision Statement

Metro Vancouver  
demonstrates  
bold leadership  
in responding to  
climate change

Ensuring our infrastructure, ecosystems, and communities are resilient to the impacts of climate change.

~~Pursuing a regional target of 80% reduction in greenhouse gas emissions from 2007 levels by 2050.~~ Pursuing a carbon neutral region by 2050.

This vision statement will guide Metro Vancouver's response to climate change in each of its roles: delivering core services, planning for the future, and acting as a regional forum. It establishes Metro Vancouver's intention to develop specific goals, strategies, and actions for its own assets and operations, as well as recognizing the need to support its member jurisdictions, residents, and businesses to take their own climate action.





## Guiding Principles

To guide the *Climate 2050* strategy, the following principles have been identified to reflect Metro Vancouver's mandate and role and the specific climate challenges of our region. These principles are based on the United Nations-Habitat principles for local-level climate action, which were established to encourage consistent and comparable approaches to developing effective climate action planning by local and regional governments around the world.<sup>1</sup>

The *Climate 2050* strategy is:

- **Ambitious** – Demonstrate global and local leadership by ambitiously tackling our local climate challenges.
- **Dynamic** – Evolve our approach to respond to new information, support innovation, and take advantage of opportunities.
- **Evidence-based** – Inform decision-making with the most current scientific information, traditional knowledge, and local understanding to assess vulnerability and emissions.
- **Relevant** – Design actions to respond to Metro Vancouver's unique challenges and opportunities and deliver local benefits.
- **Comprehensive** – Undertake climate actions across Metro Vancouver's functions and support actions across sectors and communities.
- **Integrated** – Ensure actions are integrated with other municipal and regional policy priorities and are coordinated with Provincial and Federal initiatives.
- **Fair** – Seek solutions that equitably address the risks of climate change, fairly share the costs and benefits of action, and support a livable and affordable region, including responsibility to future generations.
- **Actionable** – Propose actions that can realistically be implemented given Metro Vancouver's mandate, finances and capacities; if necessary evaluate changes to mandate.
- **Inclusive & Collaborative** – Involve Metro Vancouver's members, strategic partners and communities in the planning and implementation of the *Climate 2050* strategy.
- **Transparent & Verifiable** – Follow an open decision-making process, and set goals that can be measured, reported, verified, and evaluated.

<sup>1</sup> The United Nations-Habitat principles were generated through a robust, global, multi-stakeholder process including climate action NGOs, academics, engineering and planning associations, and public agencies, and have been endorsed by multiple global organizations including ICLEI-Local Governments for Sustainability, UCLG (United Cities and Local Governments), and FCM (Federation of Canadian Municipalities), among many others. See: <http://e-lib.iclei.org/wp-content/uploads/2016/02/Guiding-Principles-for-City-Climate-Action-Planning.pdf>

# CONCEPTUAL FRAMEWORK

## Components of *Climate 2050 Strategy*

**The purpose of the *Climate 2050* strategy is to guide climate change policy and action for Metro Vancouver for the next 30 years.** The *Climate 2050* strategy is made up of three main components: *Climate 2050 Strategic Framework*, *Climate 2050 Roadmaps*, and *Online Reporting and Communication Tool*.

***Climate 2050 Strategic Framework:*** The *Strategic Framework* sets the 30-year vision for Metro Vancouver's climate policies and actions, lays out guiding principles, and describes a dynamic and adaptive approach. The *Framework* includes summaries for each of the key Issue Areas that will become the *Climate 2050 Roadmaps* (see below).

***Climate 2050 Roadmaps:*** The *Roadmaps* will describe the trajectory toward a resilient, low carbon region for each Issue Area. They will outline regional and corporate

goals, strategies, actions, and performance metrics. The *Roadmap* development process is designed to engage other organizations and stakeholders, and set priorities that may require strategic partnerships. The *Roadmaps* will evolve dynamically in response to new technologies and innovation, policies of other orders of government, measurement of performance, or other emerging factors.

***Climate 2050 Reporting and Communication Tool:*** The *Climate 2050* strategy will be supported by an online reporting and communication tool. This hub will feature examples of current actions from both Metro Vancouver and its members, showcase best practices, engage the public and stakeholders, contain background and reference materials, and report on targets and measures.



The *Roadmaps* will guide the implementation of **climate action projects** under specific Issue Areas. Projects will be identified and approved through regular annual departmental work plans, budgets, and 5-year financial plans rather than a separate *Climate 2050* planning process. Staff will report to the Metro Vancouver standing committees and Boards to seek guidance and approval for any major climate projects.

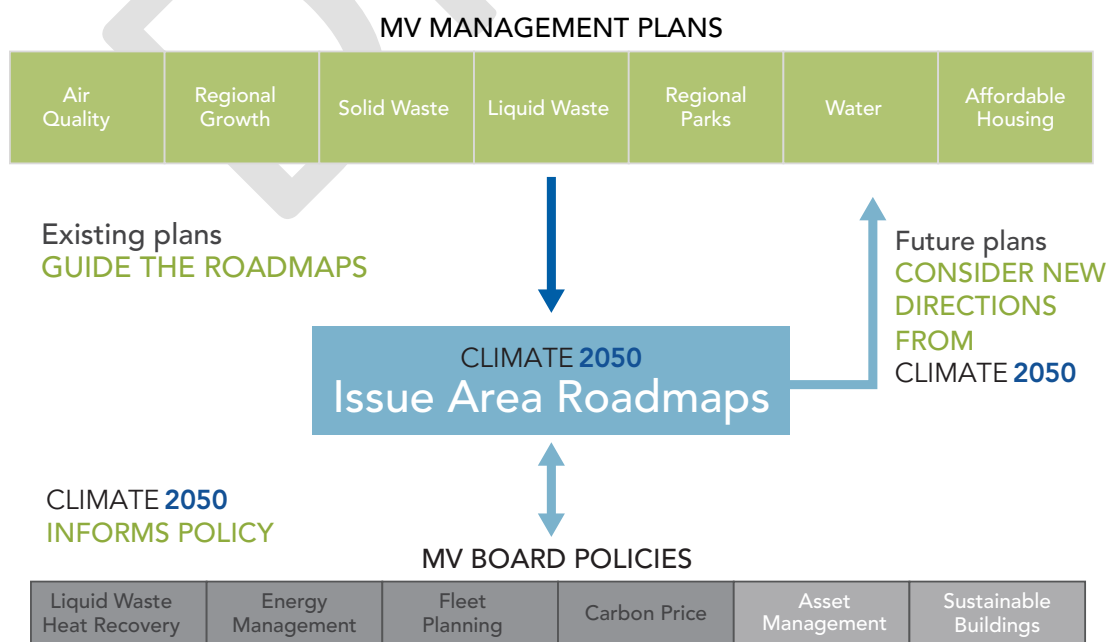
Throughout the document, several **cross cutting themes** are identified in the coloured call out boxes. Cross cutting themes are important topics that will be addressed by actions across Issue Areas.

## ISSUE AREAS

*Climate 2050* is organized around ten Issue Areas, intended to provide logical groupings of climate goals, strategies, and actions. They reflect the functions and responsibilities under Metro Vancouver's mandate and the range of climate-related challenges and initiatives affecting the region. Each Issue Area may consider climate adaptation and greenhouse gas reductions and it is intended that climate strategies and actions may meet goals in more than one Issue Area. Issue Area descriptions can be found in Appendix 1.

## Relationships to Other Plans and Policies

*Climate 2050* will be closely linked to Metro Vancouver's other plans and policies. The *Climate 2050 Roadmaps* will build on climate actions that have already been adopted in the existing Metro Vancouver management plans while also proposing new directions that can be considered in future management plans. The *Roadmaps* may suggest revisions or the development of new Board and Corporate policies that guide organizational decision-making regarding climate issues.



# ROLES AND RESPONSIBILITIES

## Metro Vancouver's role in climate change

Metro Vancouver has three broad roles in the region: **deliver core services, plan for the future, and act as a regional forum.** Through each of these roles, Metro Vancouver has responsibilities related to climate change.

Changes in weather patterns and rising sea level will require investments to prepare and adapt core regional services and infrastructure, including drinking water supply, liquid waste management, air quality management, and regional parks. Through its core services, Metro Vancouver also has opportunities to generate and use renewable energy from its facilities.

Metro Vancouver is considering climate change when it plans for the future of our region. Included in this planning role is the management and regulation of air contaminants, including greenhouse gas emissions. With its members, Metro Vancouver helps to plan for compact, complete communities that are foundational to enabling low carbon solutions. Metro Vancouver is also evaluating how climate change will affect future development and growth in the region.

Metro Vancouver has approval authority over key funding sources in the Federal Gas Tax and the Sustainability Innovation Funds, which can enable greenhouse gas and climate adaptation projects in corporate operations and the region.

In its role as a regional forum, Metro Vancouver builds and facilitates collaborative processes which engage the public and build partnerships to address significant regional issues like climate change. Metro Vancouver will continue to engage its members and other partners to develop the *Climate 2050 Roadmaps* and implement joint climate action projects.

### AUTHORITY AND MANDATE

Metro Vancouver's authority and mandate to address climate change flows from several areas of Provincial legislation and policy. The *Green Communities Act* (Bill 27) requires regional growth strategies to include targets for reducing greenhouse gas emissions and proposed policies and actions for achieving those targets. Under the *Environmental Management Act*, Metro Vancouver has the delegated authority to provide the service of air pollution control and air quality management and may, by bylaw, prohibit, regulate and otherwise control and prevent the discharge of air contaminants, including greenhouse gas emissions. Also under the *Environmental Management Act*, Waste Management Plans are regulatory instruments that can address strategic and operational requirements that are specific to a local government's solid waste and liquid waste services such as responding to climate impacts and reducing greenhouse gas emissions.

In 2007, Metro Vancouver signed the BC Climate Action Charter, making the voluntary commitment to take actions to pursue carbon neutrality in its corporate operations and reduce community-wide emissions by creating more complete, compact and energy efficient rural and urban communities.

## Roles and Responsibilities of Others

The **Federal Government** has jurisdiction over policies to set standards and regulate the design and manufacture of many products that directly or indirectly contribute greenhouse gas emissions (e.g., vehicles, appliances, buildings, industrial and commercial equipment). It is responsible for regulating emissions for Federal undertakings, including ports, airports and rail corridors, and shipping lanes.

In 2016, the Federal Government adopted the *Pan-Canadian Framework on Clean Growth and Climate Change* as the national climate change plan. The *Framework* set a national carbon price to help drive down greenhouse gas emissions, and established several funding mechanisms, including the Clean Energy Fund, the Green Infrastructure Fund, the Clean Growth Program, and the Low Carbon Economy Fund.

**First Nations** in the Metro Vancouver region provide services to their communities that will be impacted by climate change. Some First Nations in the region have adopted sustainability and/or land use plans that include a response to climate change such as protection and restoration of marine, coastal, and terrestrial ecosystems.

The **Provincial Government** has a significant influence on greenhouse gas emissions through policy and regulation in the areas of energy, transportation, buildings, forestry and industry. Funding for large infrastructure projects such as roads, bridges, transit, and dikes are critical for preparing for climate impacts, and project design can reduce emissions.

Since 2008, the Province has enacted climate change legislation including a carbon tax. It has established a *Climate Solutions and Clean Growth Advisory Council* to provide strategic advice to government on climate action and clean economic growth. In July 2018 the Province released intentions papers on: Clean Transportation; Clean, Efficient Buildings; and A Clean Growth Program for Industry as the first step towards developing a new long-term clean growth strategy for BC.

**Member Jurisdictions** are responsible for land-use policy and for investments in transportation, sewer, water, and other infrastructure. They are also responsible for enforcing the BC Building Code and can adopt the BC. Energy Step Code to encourage lower carbon buildings. Members also have a key role in preparing for the impacts of climate



change, including investments in stormwater infrastructure and dikes, and responding to emergencies such as flooding in their communities.

Many members have adopted climate action plans and they are taking many actions to ensure their communities are adapting to climate change and reducing greenhouse gas emissions. They are using their land-use planning authority to encourage the growth of compact communities and investments in walking and cycling infrastructure consistent with the provisions of *Metro 2040*. All of the municipalities in Metro Vancouver have shown leadership by signing the BC Climate Action Charter for local governments.

**TransLink** is responsible for long-term investments in regional transit as well as road and bridge infrastructure that enable low carbon transportation options. It is also responsible for regional transportation demand management programs that encourage residents to choose low carbon forms of transportation. Through its management of, and investment in, the transit fleet TransLink can also reduce greenhouse gas emissions from transit vehicles. In 2018, TransLink started the development of a new long range (30 year) Regional Transportation Strategy.

**Energy utilities** in the region (e.g. BC Hydro and Fortis BC) are responsible for energy supply and distribution. They are responsible for programs and infrastructure investments that will increase the supply of low carbon energy to the region. They administer energy conservation incentives to encourage residents and businesses to reduce their energy demand and indirectly reduce greenhouse gas emissions. Energy utilities ensure that the energy infrastructure both inside and outside the region is resilient to the impacts of climate change.





# REGIONAL CLIMATE IMPACTS AND GREENHOUSE GASES

## Climate Change Projections for Our Region

Climate change impacts are already evident in our region, and will become more marked in the near future. Even if global greenhouse gas emissions were cut drastically tomorrow, our region – and the rest of the globe – will inherit the impacts of the previous 150 years of human generated greenhouse gas emissions, and the climate will continue to change.

Metro Vancouver's Climate Projections Report<sup>2</sup> provides details of the projected impacts of climate change in this region. There is confidence in the projections through to the 2050s. However, projections to 2080 and beyond are more uncertain, because the impacts in the latter part of this century are highly dependent on how successful the global community is at reducing greenhouse gas emissions in the next couple of decades. This underscores the importance of taking action now.

Climate change is projected to drive changes to weather patterns. The “new normal” for the region may be very unlike the past. Climate projections for the 2050 timeframe are described below.

- **More extreme precipitation events:** more rain will fall during the wettest days of the year and the frequency of extreme rainfall events will increase.
- **Decreased snowpack:** the deep spring snowpack in the mountainous watersheds is expected to decrease by over 50% compared to present day.
- **Sea level rise:** in addition to these weather-related changes predicted in our region, warming global temperature is projected to bring at least 1 metre of sea level rise by 2100, which will impact coastal communities in our region.
- **Warmer temperatures:** with increasing daytime and nighttime temperatures, there will be more hot summer days and fewer winter days with frost or ice.
- **Longer summer dry spells:** summer rainfall will decline by nearly 20%, with increased likelihood of extended drought periods.
- **Wetter fall and winters:** although on average the total annual rainfall is expected to increase by just 5%, there will be a large increase in rainfall during fall and winter.



Last glacier in Metro Vancouver Watersheds

<sup>2</sup> Climate Projections for Metro Vancouver, 2016. Available at: [metrovancover.org](http://metrovancover.org) (search: climate projections 2016)

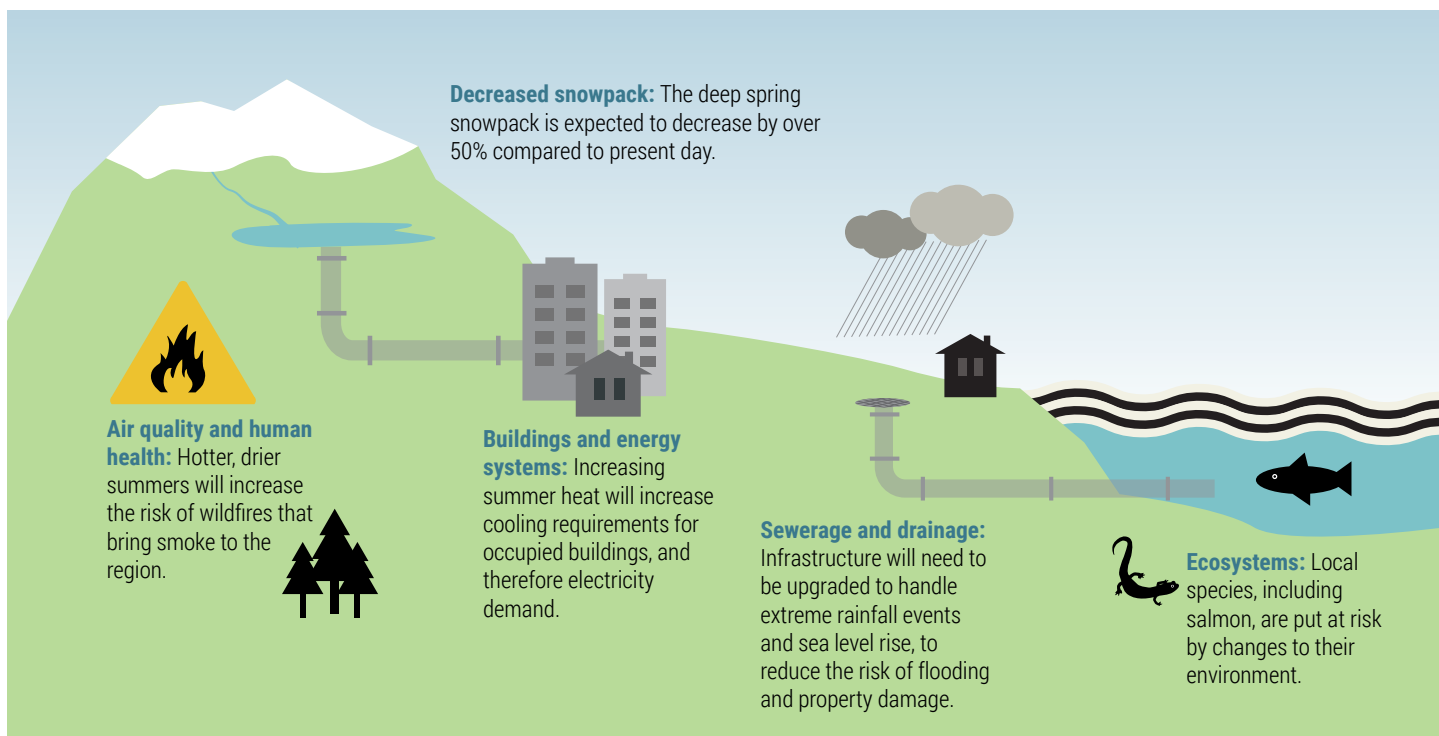
## Anticipated Impacts on Regional Systems and Services

Across our region, changing weather patterns and sea level rise are expected to impact many regional services and lead to new concerns. Adaptation responses, including significant investment by the public and private sectors, will be required to upgrade our infrastructure, protect our ecosystems, and prepare for the impacts of climate change.

The following list highlights critical areas of concern.

- **Drinking water supply and demand:** Reduced snowpack and hotter, drier summers could strain the existing water supply during times of the year when temperatures are high and water is in greatest demand. The risk of landslides affecting water quality in supply reservoirs may increase due to more frequent extreme precipitation events and higher risk of wildfires in the watersheds.
- **Sewerage and drainage:** Wastewater treatment facilities will be impacted by higher influent volumes and sea level rise, both of which increase the energy required for pumping. Increasing rainfall intensity means drainage systems will be more likely to experience flooding. Sewers near the Fraser River and the ocean will be impacted by sea level rise. Infrastructure will need to be upgraded to maintain current expectations of drainage and flood protection.
- **Ecosystems and agriculture:** As the climate shifts, it will disrupt the complex natural systems that have evolved over time. The plants, trees, and animals within the ecosystems that have historically thrived in our region will be impacted or could be displaced entirely. Sea level rise may flood some coastal parks and natural areas. Shifts in weather patterns will also impact agricultural crops and the region's food security.
- **Air quality and human health:** Increases in the number, extent and duration of wildfires in BC will impact air quality in Metro Vancouver. Higher temperatures also have the potential to increase the formation of air contaminants like ground-level ozone. Increased frequency of extreme heat events can cause heat stress in vulnerable populations, especially in a region that has historically moderate temperatures.
- **Buildings and energy systems:** Increasing summer heat will increase cooling requirements for occupied buildings, leading to higher electricity demand. This in turn will impact the provincial energy infrastructure, which is designed for peak winter demand. Energy efficiency and passive cooling will become increasingly important in buildings, and the business case to build and retrofit to high efficiency standards will improve.
- **Transportation, recreation and tourism:** Warmer winters and less frost may improve road safety and present more opportunities to walk or cycle year round. However, warmer temperatures will mean less snow in the local mountains, which is a concern for the winter sport recreation and tourism industries.
- **Communities and infrastructure – flood risk:** sea level rise, storm surge, more extreme rainfall and changes in river hydrology all combine to increase the risk of flooding in Metro Vancouver communities. Most dikes were built in the 1970s and 1980s, and they were not designed to withstand the level of floods now projected. A major flood in this region could have direct and indirect losses estimated at \$20-30 billion, four to five times the losses from the Alberta floods of 2013. Flooding presents a risk to people, homes, businesses and infrastructure.





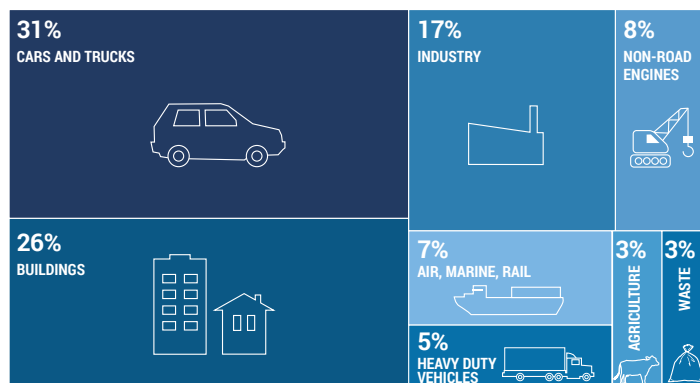
## MEASURING RESILIENCE TO CLIMATE CHANGE

Local governments are developing methods and approaches to measure progress towards more climate-resilient infrastructure, and a more resilient region. Vulnerability assessments provide baseline data on ecosystems, infrastructure, and communities, but other indicators are needed to understand our region's resilience to climate changes. Metro Vancouver has already assessed the vulnerability of some of its infrastructure and services to specific risks such as flooding and drought events. Additional vulnerability assessments could help in prioritizing actions that aim to protect ecosystems, infrastructure, and communities from other climate risks such as extreme heat and wildfires. Through the *Climate 2050 Roadmap* process, Metro Vancouver will work with partners to develop appropriate indicators and measures of regional climate resilience.

## Regional Sources of Greenhouse Gas Emissions

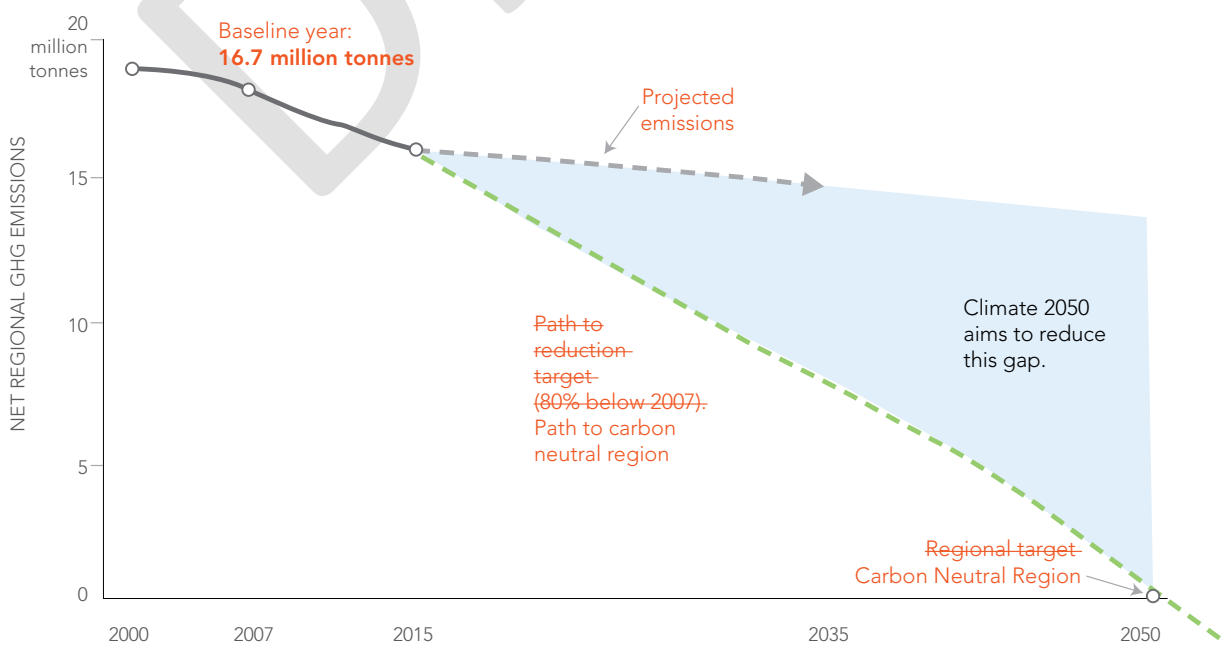
Metro Vancouver has influence on the activities of residents and businesses that produce greenhouse gas emissions, particularly through its planning and policy functions, and through its role as a regional forum for its member jurisdictions. Less than 1% of regional emissions is directly associated with the corporate activities of Metro Vancouver and its member jurisdictions.

Metro Vancouver compiles periodic emissions inventories to quantify greenhouse gas emissions from the various sources across the region. Between 2007 (the baseline year for Metro Vancouver's greenhouse gas reduction target) and 2015, regional greenhouse gas emissions dropped by almost 12%. The reduction in emissions is due to a number of factors including improvements in buildings and vehicle energy efficiency, switches to lower carbon energy sources such as electricity and renewable fuels, and shifts in types and volumes of industrial activity in the region.



Above is a summary of how different sources contributed to the regional "carbon footprint" (approximately 14.7 million tonnes of greenhouse gases in 2015). Transportation and buildings continue to contribute the greatest share of greenhouse gas emissions in Metro Vancouver's emission inventory.

### Regional Greenhouse Gas (GHG) Emissions Trend: How Are We Doing?



## Creating a Carbon Neutral Region

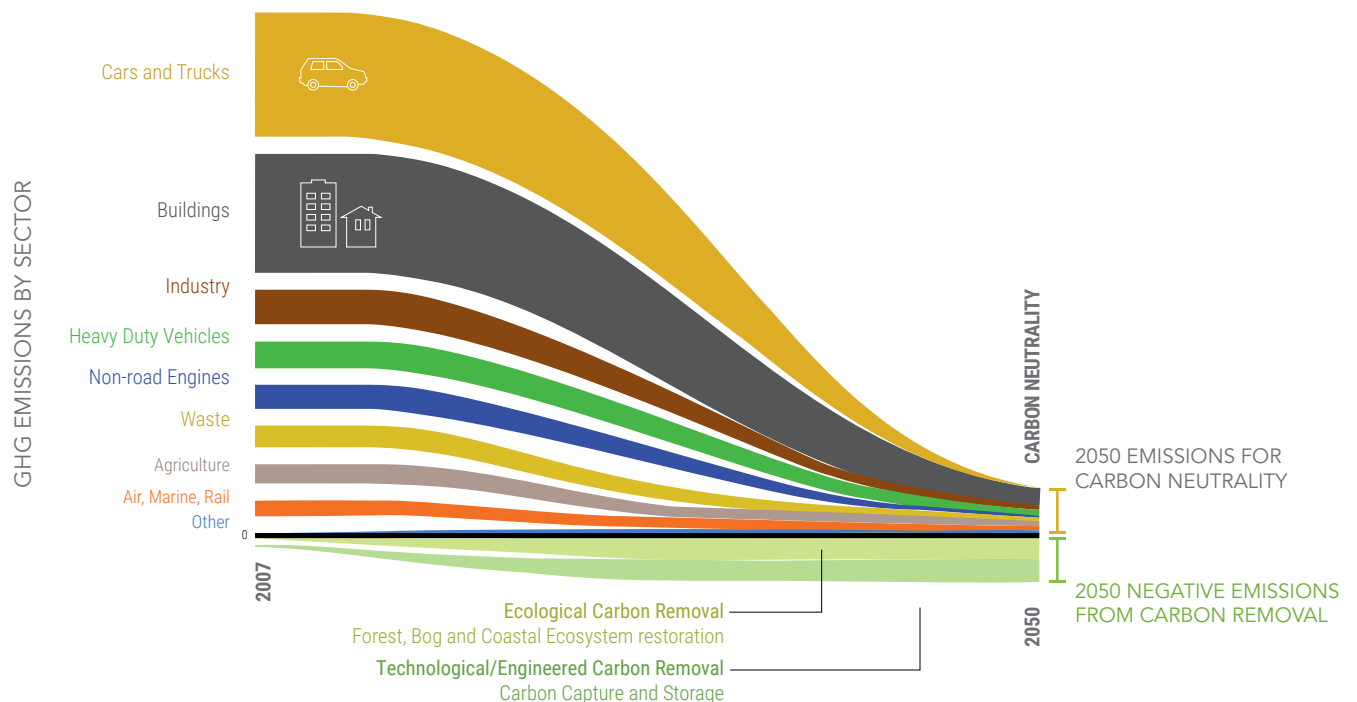
Reaching the 80% reduction target by 2050 (from 2007 levels) will require unprecedented greenhouse gas emission reductions across most sectors, with some sectors becoming essentially “zero emissions”. The graphic below illustrates one possible scenario, demonstrating how the region could reach the greenhouse gas reduction target by 2050.

Creating a carbon neutral region by 2050 will require unprecedented greenhouse gas reductions across most sectors. Many sectors must become “zero emissions”, and any remaining greenhouse gas emissions will need to be balanced with ecological and technological carbon removal approaches. The graphic below illustrates how a carbon neutral region can be achieved by a combination of deep emissions reductions in all sectors and some carbon removal.

To define the path toward a carbon neutral region, and continue to build on existing actions and accelerate new ones, an interim target of a 45% reduction from 2010 levels, by 2030, is established.

As part of the development of the *Climate 2050* Roadmaps, further analysis will be completed for each of the emissions sources to understand the pathways to deep emissions reductions including costs and benefits. Collaboration with other orders of government, partner organizations and key stakeholders will be critical to identify effective actions to reduce emissions in each sector.

### HOW CAN WE ACHIEVE AN 80% GREENHOUSE GAS (GHG) REDUCTION BY 2050? HOW CAN WE CREATE A CARBON NEUTRAL REGION BY 2050?



# TOWARDS 2050: NEXT STEPS

## Dynamic Approach: a living, breathing strategy

Recognizing the magnitude of the climate challenge, the urgency for action, and the evolving science and data, policy responses need to be adaptive. A dynamic approach is needed for the *Climate 2050* strategy.

*Climate 2050 Roadmaps* will be developed for each issue area. Together they describe how Metro Vancouver – in collaboration with others – will achieve a low carbon, resilient region. They are intended to be flexible and will be revised if significant opportunities arise that can accelerate progress towards the goals. Their five year planning horizon synchronizes with Metro Vancouver's annual budget and work plan cycles and five year financial plans.

## Roadmap Structure

Each *Roadmap* will provide a summary analysis of the current conditions and potential challenges for each Issue Area. The *Roadmaps* will include regional and corporate goals for each Issue Area that help visualize the changes necessary for a particular issue area to achieve a low carbon, resilient region. The goals will align or be incorporated into the goals of management plans for each of Metro Vancouver's functions.

The *Roadmaps* will describe the strategies and actions necessary to achieve the goals for each Issue Area. The *Roadmaps* are intended to align with the relevant management plans and will reflect existing priorities. Through gap analyses and engagement with the public and stakeholders, new directions will likely be identified as part of the *Roadmap* process. As a result, the final list of strategies and actions in the *Roadmaps* will be a combination of strategies and actions already in existing plans and new directions that can be implemented directly,

or adopted as part of the new management plans and other policies.

Finally, performance metrics will track progress towards the overall *Climate 2050* vision, breaking the tasks in each *Roadmap* into measurable and manageable sections. These performance metrics will be designed to provide a picture of progress by issue area and more broadly towards the *Climate 2050* vision.

## Roadmap Development Process

Metro Vancouver will work with its members and other stakeholders to develop *Climate 2050 Roadmaps* for each of the Issue Areas described below. The first *Roadmaps* will be developed over 2019 and 2020. The *Roadmap* development process coincides with the planned review of several existing management plans.

*Roadmap* development process will consist of three types of activities, as described below:

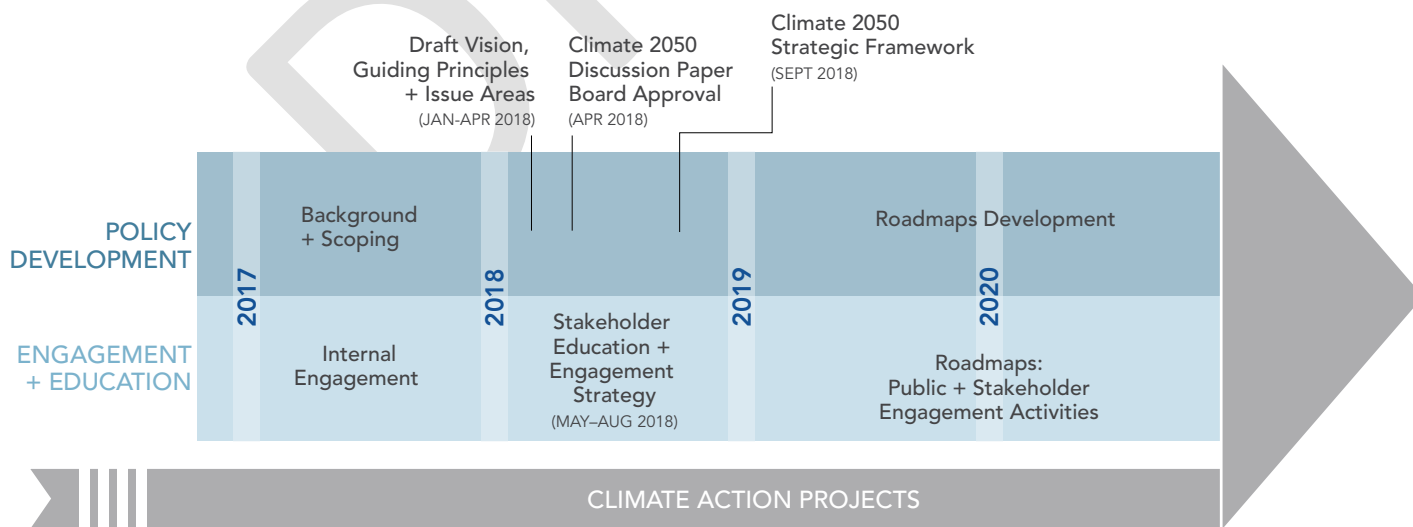
- **Research and analysis** that will include gathering existing information and conducting analyses to support the development of evidence to understand the impacts of proposed actions.
- **Goal and performance** metric setting that will be informed by goals and strategies adopted in existing management plans, but adapted to specifically describe the desired outcomes for each Issue Area and how they will contribute to the overall *Climate 2050* vision. They will include quantifiable measures to track progress toward the goals.

- **Action Planning** that will include a process to develop actions drawn from Metro Vancouver’s existing management plans and through an engagement process, identify new directions that can be implemented directly or adopted as part of future management plans. Actions will be evaluated to ensure alignment with *Climate 2050 Guiding Principles*.

Over the next two years, Metro Vancouver will engage the public and stakeholders to support the above activities at key stages of the *Roadmap* development process, in alignment with Metro Vancouver’s Public Engagement Policy and Guide. The intention is to draw on the interest and expertise of the region’s residents and businesses.

Once completed, the *Climate 2050* strategy will provide a comprehensive view of the path towards a low carbon, resilient region, Metro Vancouver’s contribution, and how Metro Vancouver is tracking our progress over time. Metro Vancouver aims to demonstrate bold leadership in responding to climate change, while working closely with its member jurisdictions, the public, stakeholders and partners. We will ensure that our infrastructure, ecosystems, and communities are resilient to the impacts of climate change, while pursuing a regional target of 80% reduction in greenhouse gas emissions from 2007 levels by 2050.

## CLIMATE 2050 STRATEGY TIMELINE



# APPENDIX 1

## Issue Areas

THE TEN ISSUE AREAS ARE:





## Nature and Ecosystems

Metro Vancouver is a region with a rich and diverse natural environment that provides important ecosystem services including clean air and water, pollination, flood control, and cooling of urban areas. Furthermore, many aspects of the region's ecosystems hold cultural significance to First Nations, and healthy ecosystems provide the basis for local food security and prosperity for us all. Soil, forests, wetlands and other ecosystems also contribute to the regulation of the global climate by removing and storing carbon dioxide from the atmosphere.

However, the health of our region's ecosystems is deteriorating and vulnerable to further degradation, especially with a changing climate. Many species and ecosystems in the region are at risk of being impacted or displaced entirely due to climate change because they cannot adapt fast enough. This is a complex issue and our understanding is incomplete, but protecting and enhancing natural areas and their connectivity will be essential in helping species and ecosystems adapt to climate change.

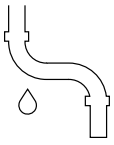
Natural areas and greenspaces will play a key role in assisting the region's communities to adapt to climate change. Soils and vegetation capture rainwater, protect the foreshore, and moderate the impacts of extreme weather events, reducing the need for built infrastructure. Trees provide shading in urban areas, which reduces the energy needed to cool buildings and gives relief to residents during extreme heat events. Maintaining tree canopy and managing urban forests so they are resilient to the impacts of climate change will mean they are able to continue to provide these adaptation benefits. Incorporating green infrastructure such as rain gardens, bioswales and green roofs into development projects will increase resilience and help to mitigate environmental impacts, particularly in more urban areas.

### MARINE AND INTERTIDAL ECOSYSTEMS

Our rich marine and coastal areas provide important habitat for fish and wildlife including endangered killer whales, salmon, and hundreds of species of resident and migratory shorebirds. The ocean has spiritual, cultural and ceremonial value for local First Nations, and it provides traditional foods. Salt marshes and seagrasses can store carbon and mitigate flooding in coastal communities. However, these complex intertidal and marine ecosystems are particularly vulnerable to climate change. With rising seas and storm surge, intertidal wetlands will be lost as they are unable to move higher due to sea walls and other man-made structures. In marine environments, warmer temperatures, increased run-off from more extreme rainfall events, and changes in ocean chemistry will alter ecological processes. Federal, provincial, and local governments, First Nations, researchers and conservation groups will need to work together to improve understanding and better protect marine and coastal environments from a changing climate.







## Infrastructure

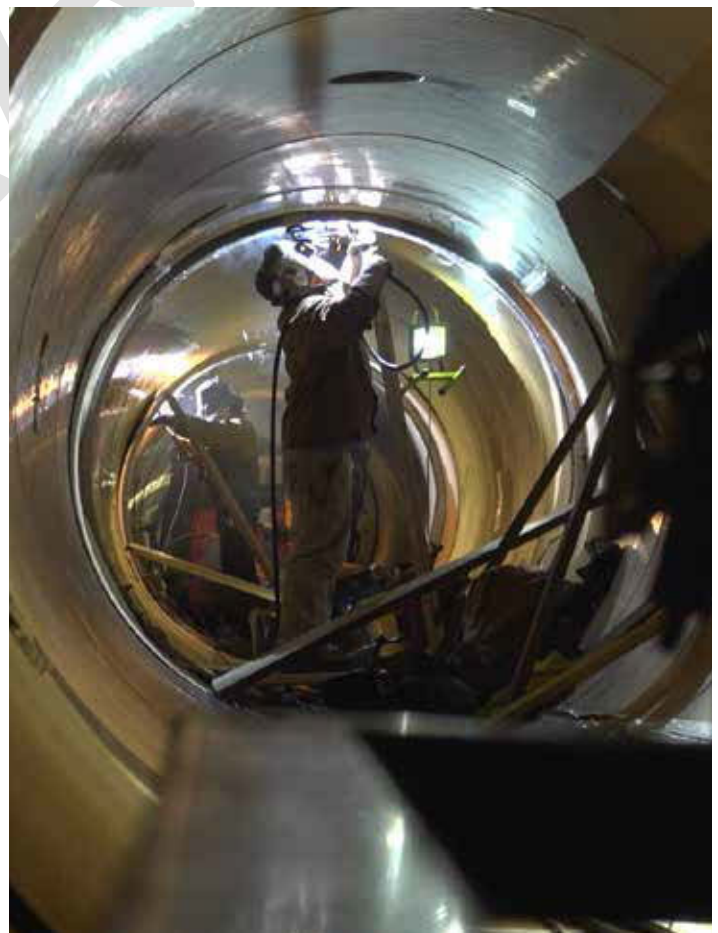
Local government infrastructure is foundational to the region's economy and its residents' quality of life. The reservoirs, pipes, pumps, treatment plants, roads, power lines, dikes, and other built infrastructure provide essential services such as drinking water, sewage treatment, stormwater drainage, solid waste disposal, transportation, and energy to residents and businesses. The region's water, wastewater and drainage infrastructure is vulnerable to anticipated climate change impacts such as more frequent extreme precipitation events that will increase localized flooding and may overwhelm sewer systems, and heat and drought that will challenge the drinking water system.

Incorporating climate change into local government infrastructure planning, design and operation can help maintain these essential services in the face of climate impacts. By considering climate change, local governments can invest in actions that improve infrastructure and contribute to the overall resilience of the region. By jointly considering climate risks and other physical risks such as seismic events, local governments are able to find cost efficiencies and more effective approaches to infrastructure upgrades, and sustain long-term levels of service.

The construction, maintenance and operation of infrastructure all contribute to greenhouse gas emissions in the region. Innovation in infrastructure design, upgrades, and operations can significantly reduce associated greenhouse gas emissions.

### WATER

Climate change will affect the quantity and quality of water in the region, which has implications for many of the Issue Areas. It will increase the likelihood that there is too much or too little water (see section on Climate Impacts). Water-related actions will be central to our climate change response and be included under a number of Issue Areas. Managing water demand, protecting and restoring streams, lakes, bogs, and coastal estuaries, and protecting communities against sea level rise and flooding will be important components of creating a region resilient to the impacts of climate change.







## Human Health and Well-Being

Climate change will affect the health of people living and working in this region. Direct health impacts will come from air and water deterioration, wildfires, flooding, extreme heat, as well as from increased pathogens and disease incidence associated with climate change. Some of the most significant climate change impacts may be indirect, such as compromised food security, chronic stress, displacement due to flood or fire risk, loss of livelihood, and adverse mental health effects. The health burden of climate change will not be felt equally. For example, the very young, the elderly, or people with underlying health issues can be more vulnerable to heat or smoke exposure, and lower income and homeless people will likely have fewer options to protect themselves from extreme weather events and fewer resources to recover from their impacts. Lower income neighbourhoods tend to have fewer green spaces or air conditioned community spaces which provide relief in extreme heat events.

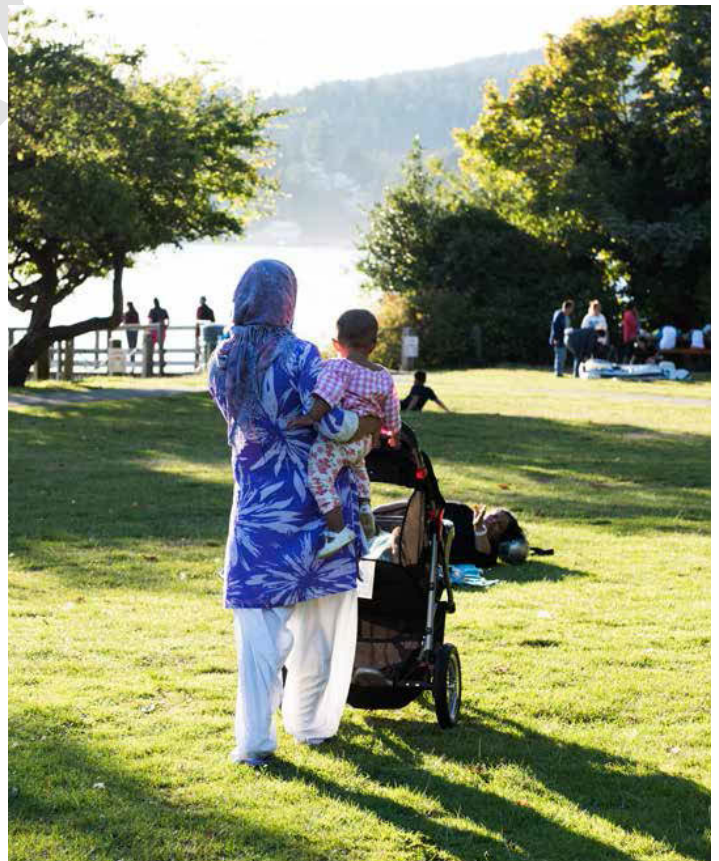
All orders of government will need to enact policies and implement projects to reduce the long term exposure to these health risks, as well as to increase capacity to respond to more frequent emergency situations (see inset box). Working closely with the local health authorities and the Provincial government, local governments can take actions that will reduce health risks due to climate change. Examples include: improving our system of air quality advisories and education about wildfires, planning for building cooling systems, supporting access to local food for low income residents, greening neighbourhoods that house vulnerable people, and ensuring neighbourhoods are prepared for flooding events.

There are health co-benefits from some of the climate actions that reduce greenhouse gas emissions. For example, walkable communities with increased green spaces promote physical activity and social connections. Reducing vehicle emissions improves air quality and noise pollution. More energy efficient, well ventilated buildings can improve indoor air quality and create more comfortable homes.

### EMERGENCY MANAGEMENT

Climate change will increase the need for local governments, residents, and businesses to be better prepared for and respond to emergencies like wildfires, flooding, storms and droughts. Local governments can help mitigate risks to health and safety and build resilience through increased emergency management planning and response services.

In some cases, better planning may alleviate some of the damage, and in others, a coordinated response will improve outcomes and recovery. Communities resilient to climate change-related emergencies will be more resilient to other emergencies.





## Buildings

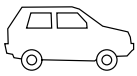
Buildings generate greenhouse gas emissions from burning fossil fuels, (primarily natural gas), for space and water heating. The region's greenhouse gas emissions from buildings are second only to transportation, accounting for approximately one quarter of all regional greenhouse gas emissions.

Improving energy efficiency and switching to low carbon energy systems (e.g., district energy, electric heat pumps, solar, renewable natural gas) can reduce greenhouse gases from buildings. Trees can be used to reduce the energy required to heat and cool buildings. Local governments can influence building energy efficiency and the use of low carbon energy systems by adopting the BC Energy Step Code. They can also deliver programs that encourage building and home owners to improve energy efficiency and switch to low carbon energy sources. Buildings are long-lived assets (50 years or more) so energy efficiency requirements and programs to reduce emissions from buildings will have a long-term impact on greenhouse gas emissions.

Climate change will increase the incidence of extreme heat events, average summer temperatures and the need to cool buildings. Governments, utilities, and building owners need to consider how this will impact building design and energy use, and in response, modify policy and planning for energy demand, and building management. Increased risk of flooding due to climate change needs to be considered in the design and siting of new buildings and the retrofit of existing buildings. Also see the Land-Use and Growth Management Issue Area for further discussion of land-use planning for climate impacts.







## Transportation

Transportation emissions come from the movement of goods, materials and people, whether by land, air, or sea. In this region, transportation is the single largest source of greenhouse gas emissions, accounting for approximately 45% of the regional total.

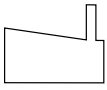
The dominant emission contributors in the transportation sector are cars and light trucks. Today, there are 1.4 million cars and trucks operating across the Metro Vancouver region, which emitted more than 4.7 million tonnes of greenhouse gases in 2015. In addition, heavy duty vehicles, trains, ships, and airplanes accounted for about 1.8 million tonnes of greenhouse gas emissions.

Today, about 70% of personal trips in the region are made by vehicles, compared to 13% by walking and cycling, and 14% by transit. Significant effort is needed to shift trips to non-vehicular modes and transit, both of which have

lower emissions. This transition will require infrastructure investments and changes to land-use policy, so that walking, biking and transit becomes the most convenient way of getting around for most personal trips. It will also mean transitioning almost all remaining personal vehicle trips to low carbon emission vehicles. Reducing emissions from the heavy duty vehicles, air, marine and rail sectors will require transition to low carbon fuels such as renewable diesel, renewable natural gas, and electricity.

Some transportation infrastructure will be impacted by climate impacts such as sea level rise and more frequent flooding. Special attention will need to be given to adapting this infrastructure to ensure that people, goods and services can continue to get around without disruption.





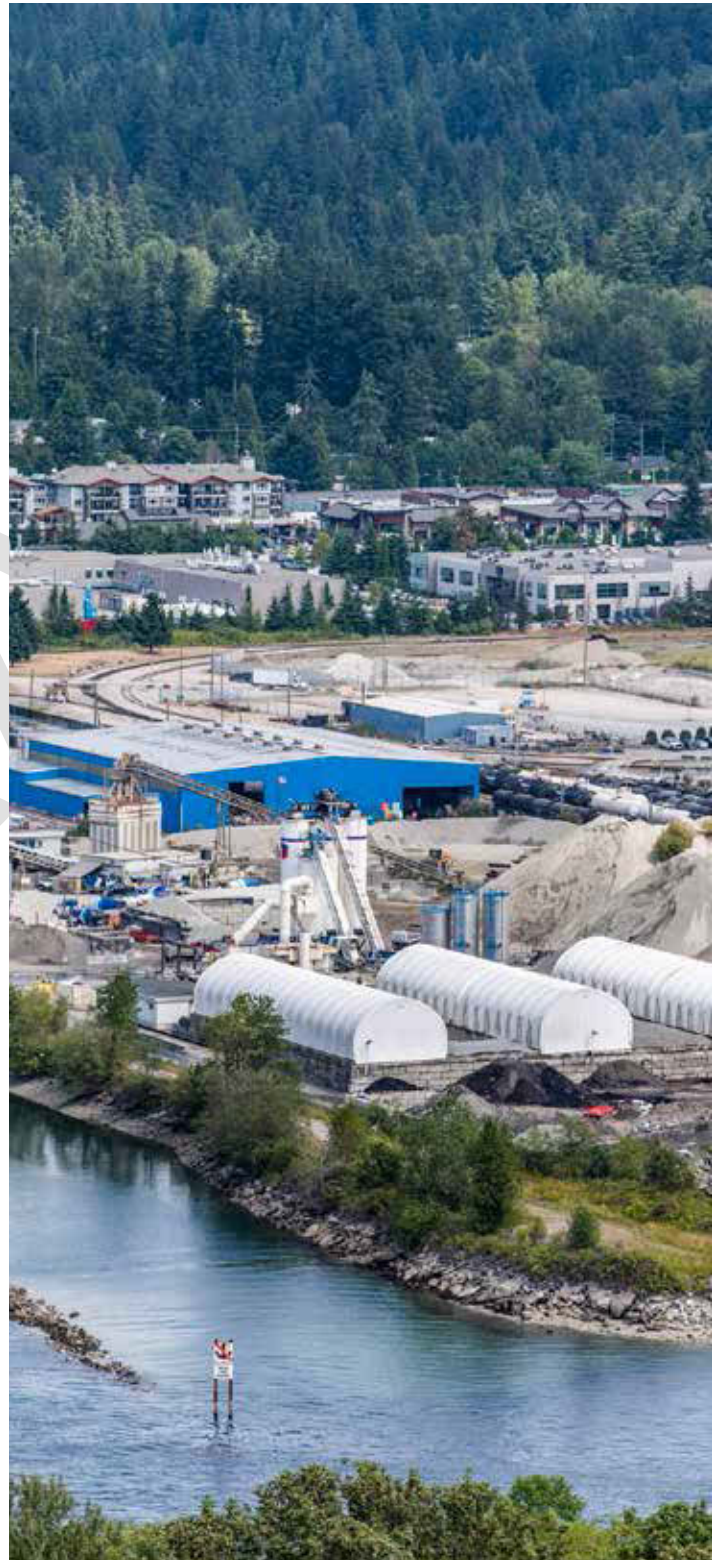
## Industry

The region's relatively small but diverse manufacturing sector (e.g., cement production, food processing, metal fabrication, chemical manufacturing, forest products, and petroleum refining), in addition to the construction industry, combine to contribute approximately 23% of the region's total greenhouse gas emissions.

In the Metro Vancouver region, industrial facilities generate greenhouse gas emissions from burning natural gas, propane and fuel oil to produce heat for industrial processes, using diesel fuel in non-road engines, and other smaller sources. Industrial chemical processes such as cement production also produce a significant amount of greenhouse gas emissions. Reducing emissions from the various industrial sectors will require targeted approaches that are appropriate to those sectors, such as encouraging or requiring a switch to low carbon fuels like renewable natural gas.

### RESEARCH AND INNOVATION

Many proven technologies exist in the market today to dramatically reduce greenhouse gas emissions and help build more resilient ecosystems, infrastructure, and communities. However, climate change still poses difficult technical and economic challenges to achieving an 80% reduction in greenhouse gas emissions and protecting against climate change impacts like sea level rise and extreme weather events. These problems will require the development of new technologies and approaches. Actions to support research and innovation will be an important part of the *Climate 2050 Roadmaps*.





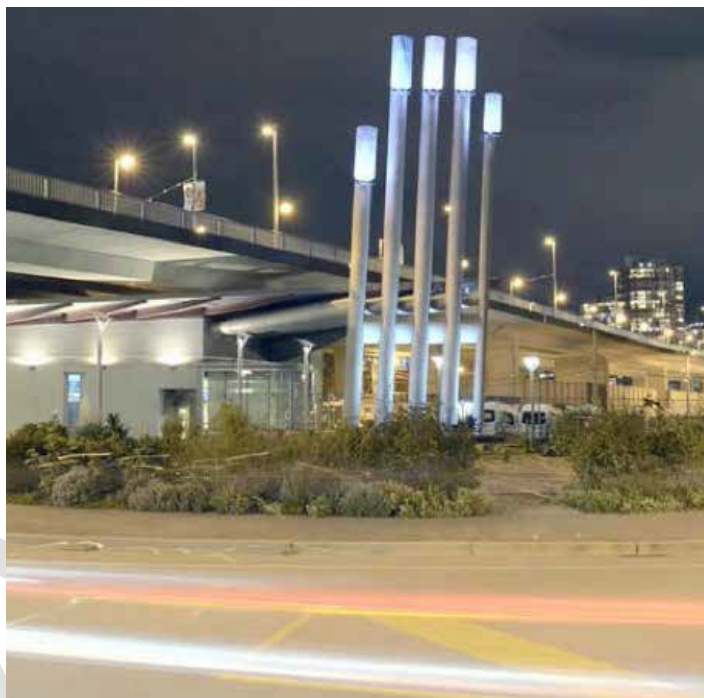


## Energy

Residents and businesses use energy to heat buildings and water, fuel vehicles, and power industrial processes. Using fossil fuel energy such as gasoline, diesel, propane, and natural gas results in greenhouse gas emissions. In this region, there are many opportunities to generate renewable and low carbon energy, and switch away from fossil fuels.

Switching from fossil fuel-based energy sources to low carbon electricity and fuels is essential to decarbonize our region's energy system. Investing in local low carbon energy systems such as renewable natural gas, waste heat recovery, solar, and heat pumps can support business development, job creation and energy self-sufficiency while reducing greenhouse emissions. Eliminating sources of energy waste (e.g., heated/cooled air leakage from buildings) and improving energy efficiency (e.g., through equipment upgrades and process improvements) should be an integral part of reducing energy-related emissions. Grid electricity in British Columbia is primarily generated by hydroelectric dams.

Recovering energy from waste streams produces a renewable and clean energy that can replace fossil fuel use or electricity. Metro Vancouver currently produces renewable natural gas at several of its wastewater treatment plants, which displaces the use of fossil fuels for operation of these facilities. There is potential to produce additional renewable natural gas or other biofuels at Metro Vancouver facilities. There are also opportunities to capture more waste heat from its utility processes, solid waste management facilities, and liquid waste collection system. Recovered heat can be used to generate electricity, or in district energy systems that provide energy to buildings for space heating and water heating. Through its policies and programs, Metro Vancouver can also support other projects in the region that generate renewable, low carbon energy.





## Land-Use and Growth Management

The Metro Vancouver region is growing rapidly. Our population is increasing by 30,000 residents each year and it is anticipated that the regional population could reach 3.6 million people by the year 2050. The location of new homes, businesses and institutions strongly influences both greenhouse gas emissions and exposure to risks associated with climate change.

Land use decisions determine where residents live, work and play. Metro Vancouver and its member jurisdictions are working to reduce greenhouse gases by focusing growth in a network of transit-oriented urban centres, and building compact, complete communities that offer amenities close to home. This focused growth reduces emissions by supporting low carbon transportation such as walking, cycling and public transit. Actions in this Issue Area will be complementary to those contained in the *Transportation* Issue Area.

Where and how the region accommodates growth also determines how much residents, businesses and infrastructure are exposed to physical risks associated with climate change, such as flood risk from rising seas and rivers. Land use planning is an important tool for directing growth away from higher risk areas and natural areas that can alleviate negative impacts, thereby increasing community resilience to flooding. For buildings and other infrastructure that remain in flood-prone areas, protection such as dikes may need to be built or upgraded to mitigate increasing climate risk (see *Infrastructure* Issue Area), and additional resources may need to be allocated to emergency response planning (see *Emergency Management* inset box, pg 27).

### LAND-BASED CARBON INVENTORY

As the region urbanizes, areas that were once forests, bogs, or agricultural land are changing to residential, commercial, or industrial uses. Often when these changes occur, greenhouse gases are released into the atmosphere through soil disturbance and decomposition or burning of wood and other plant material. In this process, local carbon sinks (e.g., trees, soil, bogs, and estuaries) are disturbed or lost entirely. Our current emissions inventory approach does not capture the potentially significant changes in emissions associated with land development in the region.

A land-based carbon inventory would provide a better understanding of the impact that land-use changes are having on the region's ability to sequester carbon and inform *Climate 2050* actions to protect local carbon sinks.





## Agriculture

The combination of mild climate, fertile soils and demand for locally produced food has enabled a thriving agricultural industry that contributes to the region's food security. Uncertainty around the supply of food is emerging in many parts of the world due to a changing climate and limited fresh water resources. Protecting agricultural land and enhancing local food production are a priority for resilience in the region.

Climate models predict there will be both positive and negative consequences for agriculture. Rising average temperatures shifts the types of crops that can be grown and decreases heating costs for greenhouses. At the same time, rising temperature will introduce and exacerbate pest and disease problems, and increase irrigation demand. Changes in seasonal precipitation patterns could limit water supply during the growing season, putting increased stress on crops and livestock.

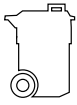
Heat waves can damage crops and increase the need for cooling of livestock barns and expanded use of refrigerated crop storage, which leads to higher costs and energy use. Rising sea levels can limit access to irrigation water from the Fraser River, and storm surges may require dike upgrades and other coastal flood protection measures to prevent agricultural land from flooding during the growing season.

Agricultural activities are also a source of greenhouse gas emissions. Around 3% of the regional greenhouse gas emissions come from agriculture, primarily methane from livestock and manure, nitrous oxide from the application of fertilizer and soil management, and carbon dioxide from burning fossil fuels to heat greenhouses and operate farm equipment. The good news is that agricultural soils can play a substantial role in carbon sequestration, which has the added benefit of maintaining soil productivity over the long term.

Securing local food production means that some of the food consumed by residents is available year round and during emergency situations. Equally important is the role agricultural land plays in providing ecosystem services. Nutrient and organic matter recycling on farmland supports regional efforts to recycle organic waste. Agricultural land also provides important habitat for migratory birds and other wildlife. Both agricultural land and natural areas can help communities manage river water levels and extreme precipitation events through groundwater infiltration and flood management.







## Waste

Fossil fuels are used to manufacture, transport, and ultimately dispose of all the goods we consume, and when waste is disposed in a landfill it produces methane, a potent greenhouse gas. The actions we take in this region have a significant influence on the lifecycle greenhouse gas emissions related to the goods consumed in the region.

Much of our waste can be reduced, reused, or recycled, so we need to ensure that waste is always considered a potential resource. Transitioning to a circular economy helps to further reduce waste (and associated emissions), because the circular economy concept aims to retain the value of products, materials, and resources in the economy through non-linear business models, maximized product lifespans, and closed production and consumption loops. For example, preventing methane emissions through source reduction, composting, or capturing methane at digestion facilities and landfills are effective greenhouse gas reduction strategies. The captured gas can be upgraded to renewable natural gas, and used to replace fossil-based natural gas (see also Energy Issue Area). Policies incentivizing or requiring the reuse, recycling, and recovery of energy from waste materials can generate new business and create new economic opportunities.

### CONSUMPTION-BASED EMISSIONS INVENTORY

Metro Vancouver has been preparing sector-based emissions inventories (as described above) since 1985. But sector-based inventories only account for emissions that are released directly in the region, mostly related to fossil fuel use for transportation and building heat. They don't account for the lifecycle greenhouse gas emissions associated with the goods and services consumed in the region, because they are not emitted directly in the region. A consumption-based inventory attributes the greenhouse gas emissions associated with the full lifecycle of goods and services including emissions from the production, transport, wholesale and retail, use, and disposal.

Since greenhouse gases have the same impact on the global climate regardless of where they are emitted into the atmosphere, Metro Vancouver will explore conducting a consumption based inventory to measure the full emissions impact of choices made in the region. Evaluated together, these different inventory approaches can provide a more complete picture of the region's greenhouse gas emissions and offer insights into the most effective actions to reduce global emissions.





## APPENDIX 2

### GLOBAL CLIMATE CHANGE DATA AND TRENDS

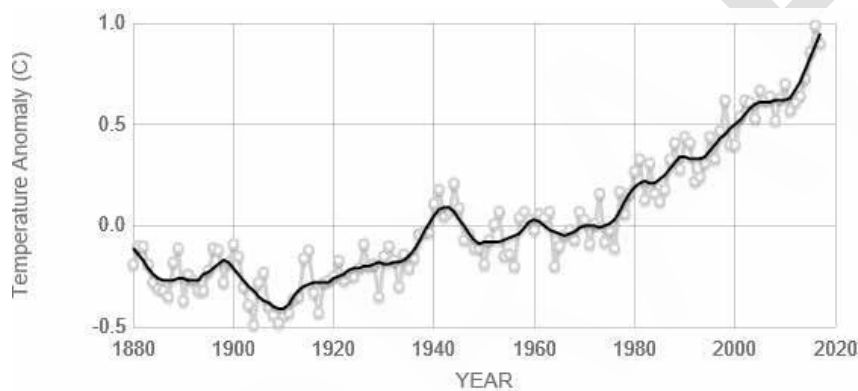
Increasing levels of greenhouse gas emissions are warming our planet and driving climate change. How do scientists know this? This appendix provides a snapshot of some of the key data points and observed trends related to global climate change. References and links are provided to sources of information that provide more in-depth data, trends, and scientific analysis.



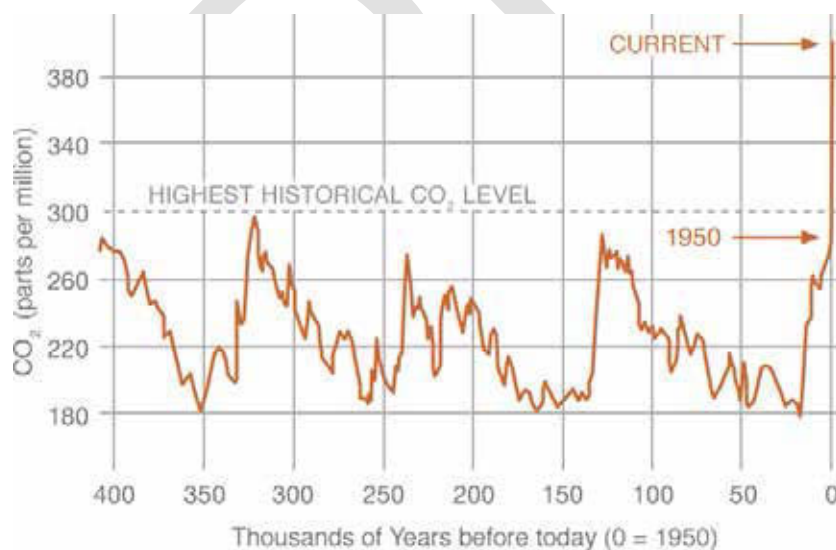
Watershed Protection staff helicopter eight times a year to the remote wilderness behind the North Shore Mountains to measure the snowpack. They go to five different sites, taking samples to determine the quantity of stored water for our reservoirs.

## Global Average Temperature

The planet's average surface temperature has risen about 1.1°C since 1880, based on measurements made on land and at sea. Human-induced warming reached approximately 1°C above pre-industrial levels in 2017, increasing at 0.2°C per decade according to Global Warming of 1.5°C, a special report by the Intergovernmental Panel on Climate Change (IPCC)<sup>1</sup>. Both past and future warming in Canada is, on average, about double the magnitude of global warming. Northern Canada has warmed and will continue to warm at more than double the global rate.<sup>2</sup> Most of that warming has occurred in the past 35 years, with polar regions experiencing greater warming than the more temperate regions.<sup>3</sup> Sixteen of the seventeen warmest years on record have occurred since 2001. Scientific research has shown this change is driven primarily by increased carbon dioxide and other human-made greenhouse gas emissions into the atmosphere. Although the global atmospheric concentrations of carbon dioxide have varied over the millennia, since the industrial revolution in the mid-1700s it has increased to unprecedented levels.<sup>4</sup>



Global surface temperature change (land and ocean, compared to 1951-1980 average)<sup>1</sup>



Global atmospheric concentrations of carbon dioxide over the past 400,000 years<sup>3</sup>

<sup>1</sup> IPCC, 2018: Summary for Policymakers. In: Global Warming of 1.5°C.

<sup>2</sup> Government of Canada, Canada's Changing Climate Report, 2019

<sup>3</sup> IPCC, 2013: Summary for Policymakers. In: Climate Change 2013: The Physical Science Basis

<sup>4</sup> NASA Global Climate Change – Evidence

## Changing Global Climate System

Scientists have projected that increasing global temperatures would cause a number of significant changes to the global climate system. Some of these changes, such as declining global snow and ice cover and rising sea levels, are happening gradually as temperatures rise. Other changes are a consequence of amplified climate instability,

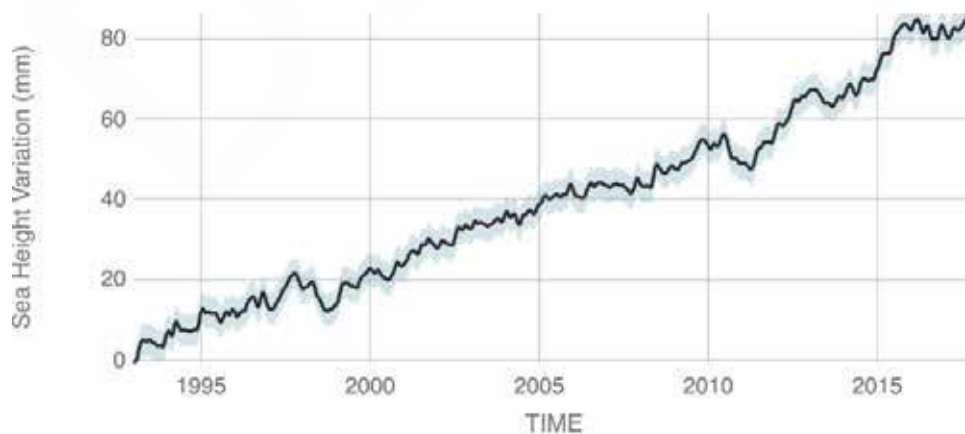
for example the increasing frequency and intensity of extreme weather events such as heat waves, heavy precipitation, and storms. Below is a description of three of the expected changes to earth systems caused by rising global temperatures: sea level rise, decreased snow and ice cover, and extreme weather events.

### SEA-LEVEL RISE

As the climate warms, sea levels are rising worldwide.<sup>5</sup> Higher global temperatures contribute to sea-level rise in two ways. First, as ocean temperatures increase, seawater expands and the overall volume of oceans increases. Second, higher temperatures accelerate the melting of glaciers and ice caps, also increasing the volume of the oceans.

Globally, sea levels have risen at an average rate of 1.8 mm per year from 1961 to 2003 and approximately 20 cm since 1880. Sea levels are expected to rise by an additional 30 to 120 cm by the year 2100.

Coastal regions face several risks from rising seas. Higher sea levels will flood unprotected low lying areas such as islands and coastal river deltas. Wave action combined with higher sea levels will make more land vulnerable to coastal erosion. Moreover, in the next several decades, storm surges and high tides combined with sea level rise will further increase flooding risk. In some coastal areas, groundwater and/or surface water will be contaminated with sea water as sea levels rise. This could impact the water available for irrigation and drinking water.



Sea Level Rise from 1993 to Present<sup>4</sup>

<sup>5</sup> NASA Global Climate Change – Vital Signs

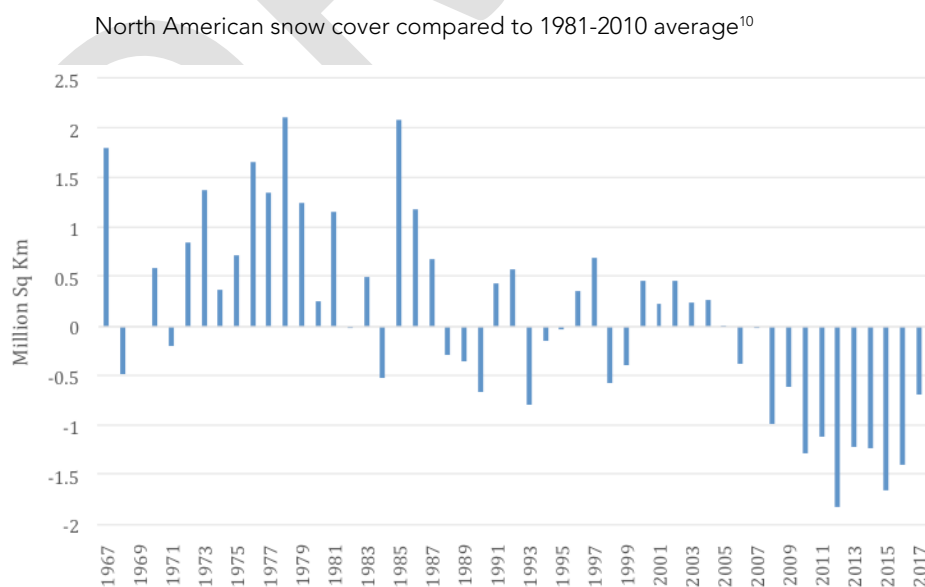
## Decreased Snowpack / Snow Cover

Snow and ice cover helps regulate the climate by reflecting incoming solar energy back into space. Over the next century, water contained in glaciers, ice caps and annual snowpack are expected to continue to decline. With less snow cover and a decrease in the amount of reflected sunlight, the ground absorbs four to six times as much heat.

Monitored snowpack levels in western North America are decreasing, with record lows observed throughout the United States. Since 1955, average snowpack has declined on average by 14 percent including areas in California, Oregon, and Washington, with some sites recently experiencing snow-free periods for the first time ever. Glaciers have been retreating at least since the 1960s and mountain snow cover has declined on average in both the Northern and Southern hemispheres. Monitored snowpack levels in western North America are decreasing<sup>6</sup>. Data from 1981–2015 shows the proportion of days within each month

that snow was present on the ground is decreased by 5% to 10% across most of Canada during most seasons<sup>7</sup>. Glaciers have been retreating at least since the 1960s and mountain snow cover has declined on average in both the Northern and Southern hemispheres<sup>8</sup>. Over the past three decades, the proportion of Canadian land and marine areas covered by snow and ice have decreased, and permafrost temperatures have risen<sup>9</sup>.

The decline of glaciers and annual snowpack will reduce freshwater availability in regions supplied by meltwater, where more than one sixth of the world population currently lives. Rapidly melting snowpack can also lead to springtime flooding and lower river and reservoir levels in the late summer. Changes in melting patterns and reduced stream flow will also affect hydro-electric power generation that is reliant on the water that is supplied through melting snowpack.



<sup>6</sup> Rutgers University Global Snow Lab – North American Snow Cover Anomalies

<sup>7</sup> Government of Canada, Canada's Changing Climate Report, Chapter 5, 2019

<sup>8</sup> National Snow & Ice Data Center – State of the Cryosphere

<sup>9</sup> Government of Canada, Canada's Changing Climate Report, Chapter 5, 2019

<sup>10</sup> Rutgers University Global Snow Lab – North American Snow Cover Anomalies

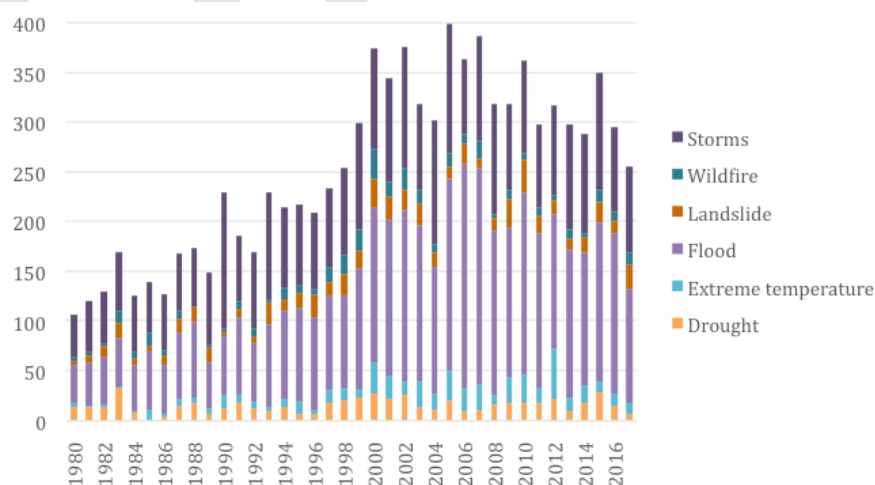
## Extreme Weather Events

Climate change is increasing the frequency and intensity of extreme weather events. Climate-change-related risks from extreme weather events are already considered moderate to high with 1°C of warming, and those risks are expected to increase as temperatures continue to rise. International agencies that are tracking extreme events are already observing an increase.<sup>11</sup> Scientists are increasingly able to evaluate the contribution of climate change to specific extreme events.

Although there has been a slight increase in the frequency or duration of droughts over the last 50 years, scientists expect climate change to increase the intensity and duration of droughts to increase after 2050, especially if global GHG emissions do not decline. Less snow and a lack of moisture in the ground increases the likelihood and prevalence of wildfires and dry spells. Longer dry spells and drought in the summer months also increase wildfire risk.

Scientists are studying how the frequency and severity for floods will change due to climate change. Globally, the amount of damage caused by extreme weather events, including flooding, is increasing dramatically – both from the number of events and the increasing value of the built environment. In BC, flood risk is exacerbated by sea level rise, particularly during events such as king tides and storm surges.

Climate-related weather extremes and shifting temperature patterns can put stress on ecosystems, disrupt food production and water supply, damage infrastructure and urban settlements, lead to loss of life, and have consequences for population health. These interrelated challenges pose a particular threat to cities with aging infrastructure such as water and sewage systems, roads, bridges, and energy grids. Governments, including municipalities, are spending more on climate change adaptation to protect essential services, with costs rising from \$4 billion globally in 2010 to \$25 billion in 2014.<sup>12</sup>



Reported Extreme Weather-related natural disaster events 1980-2017 <sup>7</sup>

<sup>11</sup> EMDAT (2017): OFDA/CRED International Disaster Database

<sup>12</sup> US Global Change Research Program – National Climate Assessment

DRAFT



**metrovancouver**  
SERVICES AND SOLUTIONS FOR A LIVABLE REGION

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To: Finance and Intergovernment Committee

From: Carol Mason, Commissioner/Chief Administrative Officer

Date: July 12, 2019 Meeting Date: July 17, 2019

Subject: **2019-2022 Board Strategic Plan**

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**RECOMMENDATION**

That the MVRD Board approve the *2019-2022 Board Strategic Plan* as presented in the report dated June 26, 2019, titled “2019-2022 Board Strategic Plan”.

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The following Standing Committees reviewed and endorsed the proposed Strategic Directions in the *2019-2022 Board Strategic Plan* for their area of responsibility and offered comments as outlined below.

**Housing Committee:** *(July 3, 2019)*

Committee members commented regarding strengthening the language in “Strategic Direct 1 – Advancing an Affordable Housing Plan” from ‘clarify’ to more action-oriented.

**Regional Planning Committee:** *(July 5, 2019)*

Committee members suggested that consideration be given to capturing the following:

- how Metro Vancouver can support healthy, complete communities through land use planning efforts
- enhancing the importance of food security in the region in “Strategic Direction 3 – Protecting Lands Within the Region”

**Regional Parks Committee:** *(July 10, 2019)*

Committee members commented on the following:

- in Section 3 – explore opportunities for synergies with member jurisdictions
- accessibility of regional parks through transit and other modes of transportation
- increases to the Land Acquisition Fund in response to demand

**Water Committee:** *(July 11, 2019)*

Committee members suggested that consideration be given to expanding innovative ways to increase revenue beyond consideration of Water Development Cost Charges (DCCs) such as a sales tax for TransLink and Metro Vancouver.

Committee members offered the following comments that were addressed by staff:

- section 3.3 addresses concern around “cost containment” through the Regional Federation Strategic Direction section of the plan, the Board’s *Financial Management Policy*, annual budget process and long-term financial management plans
- section 2.3 addresses watershed resiliency (related to fuel-loading management and selective logging) in terms of forest health monitoring and other programs

- water metering is part of the current Work Plan
- strategic directions presented in the report are not listed in any priority sequence
- opportunities for members to provide input on the budget was described by staff through the Committees and Boards annual budget review process

**Liquid Waste Committee:** *(July 11, 2019)*

Committee members offered the following comments and received clarification on the below:

- resilient infrastructure and financial stability, including best management practices surround risk and seismic resiliency
- staying ahead of population growth but also “build it when you need it” (related to financial stability)
- opportunities for further innovation and education

**Zero Waste Committee:** *(July 12, 2019)*

The Committee had no suggestions for specific changes to the Plan. In response to questions, members were updated on staff efforts to explore opportunities to address issues around organics processing in the region.

**Climate Action Committee:** *(July 12, 2019)*

Committee members commented on the following:

- the benefits of keeping actions high level in order to not exclude any particular area, consider identifying specific *Climate 2050* issue areas
- actions should be developed to meet targets
- in addition to collaboration with federal and provincial governments, include collaboration with utility entities (Fortis, BC Hydro, etc.)
- section 3.3 consider addition of growing crops that sequester carbon and increase food security [Note: this is captured in the Regional Planning section under item 3.3]
- advocate for actions that reduce GHG emissions from industrial sources
- support expansion of Metro Vancouver zero-emission fleet vehicles
- district energy systems and pursuing partnerships related to setting up municipal district energy systems
- the need to collaborate with member jurisdictions to reduce duplication and ensure alignment of members’ policies and actions with regional policies [Note: this is captured in the Regional Federation section under item 2.1]

Changes to the Strategic Directions in response to the comments above are shown in a red line version in Attachment 1 to the report dated June 26, 2019, titled “2019-2022 Board Strategic Plan”.

The matter is now before the Finance and Intergovernment Committee for its consideration.

**Attachment:** *(Doc# 29844116)*

Report dated June 26, 2019, titled “2019-2022 Board Strategic Plan”.



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To: Finance and Intergovernment Committee

From: Carol Mason, Commissioner/Chief Administrative Officer

Date: June 26, 2019 Meeting Date: July 17, 2019

Subject: **2019-2022 Board Strategic Plan**

---

**RECOMMENDATION**

That the MVRD Board approve the *2019-2022 Board Strategic Plan* as presented in the report dated June 26, 2019, titled “2019-2022 Board Strategic Plan”.

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**PURPOSE**

To present to the Finance and Intergovernment Committee and the MVRD Board for consideration and approval the *2019-2022 Board Strategic Plan*, which will establish the strategic priorities of the Board over its four-year mandate.

**BACKGROUND**

On April 26 and 27, 2019, the members of the MVRD Board participated in a strategic planning workshop with the objective of developing a strategic plan for its four-year mandate, within a 30-year planning context. The *2019-2022 Board Strategic Plan* details strategic directions for each function of Metro Vancouver, as recorded at the planning workshop.

This report brings forward the *2019-2022 Board Strategic Plan* (Attachment 1) for Committee and Board consideration and approval which, if approved, will establish strategic priorities for the Board’s four-year mandate. The draft strategic directions have also been reviewed for input by applicable standing committees that oversee the functions contained in the plan.

**2019-2022 BOARD STRATEGIC PLAN**

The April 2019 Board strategic planning workshop was timed early in the Board’s four-year mandate to grant the opportunity to set direction for the term. The new Plan will replace the current *2015-2018 Board Strategic Plan*.

The *2019-2022 Board Strategic Plan* as presented for Board consideration comprises three sections:

- *Metro Vancouver* – Provides general information about the region, an overview of the governance of Metro Vancouver the organization, and a map depicting the geographical distribution of key Metro Vancouver facilities and services.
- *Planning for the future* – Outlines the value of strategic planning and Metro Vancouver’s integrated approach to building a livable region; also lays out Metro Vancouver’s vision and mission statements, which have been updated to reflect the Board’s vision.
- *Strategic directions* – Provides the Board’s priorities and directions for the regional federation and each of Metro Vancouver’s functions.

A number of common topics emerged from workshop discussions, which are reflected in the *2019-2022 Board Strategic Plan*. The value of long-term financial planning, including the development and implementation of a 30-year financial framework, was confirmed. Related to this was the need to ensure the resilience of infrastructure in the face of anticipated natural hazards, more extreme events related to climate change, and other significant disruptions. In their visioning exercise the Board strongly identified the need to account for current and future generations and this was reflected in the value placed on long-term planning and collaboration especially in the context of climate action. Other cross-cutting priorities included the value of continued leadership in environmental stewardship and embracing innovation in projects and operations.

The *2019-2022 Board Strategic Plan* will provide guidance to Metro Vancouver staff in their work and planning. As part of the budget process, annual work plans are prepared for Metro Vancouver's business areas, articulating how proposed budgets address priorities from the *Board Strategic Plan*. Staff also provide annual updates on progress in delivering the strategic directions of the plan.

The *2019-2022 Board Strategic Plan* is also an important document for communication without outside agencies. It is used to increase awareness among the public, member jurisdictions, other orders of government and key stakeholders about Metro Vancouver's important role in the region today and in the future.

### **Thirty-Year Financial Planning**

Over the past four years Metro Vancouver has undergone a comprehensive overhaul of its budgeting process to implement advanced internal systems and upgrade its budgeting software with a key focus on multi-year business planning. This process was initiated to ensure the long-term serviceability of assets and funding sources and predictability in rate projections. Earlier this year, the first annual *Five Year Outlook* was published – a five-year financial plan that covers key initiatives and anticipated costs for the region's four legal entities over the next five years.

The organization is now undertaking a process to develop a *30-Year Financial Framework*, which, along with the *Board Strategic Plan*, regional management plans and organizational policies, will guide budgeting and funding decisions that put financial sustainability as a central theme in delivering services. Discussions from the April 26 and 27 strategic planning workshop are being incorporated into the development of the *30-Year Financial Framework*, which will be presented to the Board this fall.

### **ALTERNATIVES**

1. That the MVRD Board approve the *2019-2022 Board Strategic Plan* as presented in the report dated June 26, 2019, titled "2019-2022 Board Strategic Plan".
2. That the MVRD Board approve the *2019-2022 Board Strategic Plan* as amended in the report dated June 26, 2019, titled "2019-2022 Board Strategic Plan".

### **FINANCIAL IMPLICATIONS**

If Alternative 1 is approved, staff will finalize the *2019-2022 Board Strategic Plan* as presented. Implementation of the strategic directions identified in the *2019-2022 Board Strategic Plan* may

require the reallocation of some existing resources, as well as the need for additional resources over time. All proposed reallocations and additions of resources will be brought to the Board through the annual budget process for consideration.

Under Alternative 2, the Committee may wish to amend the draft strategic plan with additional input on the strategic directions and direct staff to finalize the strategic plan with these changes.

### **SUMMARY / CONCLUSION**

Members of the MVRD Board met on April 26 and 27, 2019, to set strategic directions for the organization over the next four years, within a 30-year planning context. Key themes that emerged from the workshop include the need to take a long-term view in planning for the region, the importance of ensuring infrastructure is resilient to climate change and other hazards, the vital role of Metro Vancouver in fostering regional collaboration, and the on-going value of leadership in environmental stewardship and pursuing innovation in identifying solutions.

This report presents the *2019-2022 Board Strategic Plan*, which has been prepared using table discussion notes and reports from the Board workshop (Attachment 2) and also includes feedback received at each of the Board standing committees that provide oversight to the core functional areas (housing, regional planning, regional parks, water, liquid waste, zero waste and climate action). Once adopted by the MVRD Board, the *2019-2022 Board Strategic Plan* will guide the work of staff over the next four years and will assist in communicating the important role of Metro Vancouver in the region among the public, member jurisdictions, government and key stakeholders of Metro Vancouver. Staff recommend approving Alternative 1.

### **Attachments:**

1. Draft 2019-2022 *Board Strategic Plan*
2. Board Strategic Planning Session Workshop Notes

### **References**

[Five Year Outlook 2019-2023](#)

29844116

## 2019-2022 BOARD STRATEGIC PLAN

### METRO VANCOUVER

#### Members

Village of Anmore	Township of Langley	City of Port Moody
Village of Belcarra	Village of Lions Bay	City of Richmond
Bowen Island Municipality	City of Maple Ridge	City of Surrey
City of Burnaby	City of New Westminster	Tsawwassen First Nation
City of Coquitlam	City of North Vancouver	City of Vancouver
City of Delta	District of North Vancouver	District of West Vancouver
Electoral Area A	City of Pitt Meadows	City of White Rock
City of Langley	City of Port Coquitlam	

#### Governance

Metro Vancouver is a regional government that represents residents of the region under four separate legal entities:

- Metro Vancouver Regional District (MVRD)
- Greater Vancouver Water District (GVWD)
- Greater Vancouver Sewerage & Drainage District (GVS&DD)
- Metro Vancouver Housing Corporation (MVHC)

Each entity is governed by a separate Board of Directors composed of elected representatives from the respective member jurisdictions who have chosen to participate in the provision of the service. As established in the Metro Vancouver Regional District's Letters Patent, the numbers of directors and votes are determined by resident populations of member jurisdictions. This ensures that as the population grows, the Board will continue to have proportional representation on behalf of the residents of the region.

The Board of Directors is the governing body for each Metro Vancouver entity and is informed by discussions and recommendations of its standing Committees. Metro Vancouver staff take Board direction on issues coming to the Board as well as in defining and implementing plans and other initiatives. Staff prepare reports for Committees that are informed by research, data and analytical tools in addition to input from municipal staff, either directly or through advisory committees.

### PLANNING FOR THE FUTURE

#### The Board Strategic Plan

The Board Strategic Plan 2019 to 2022 identifies the Board's key priorities for its four-year mandate. The Board Strategic Plan reflects the regional priorities that will shape Metro Vancouver's 30-Year Financial Framework. It is the first Board Strategic Plan that examines projected expenditures over a long term planning horizon and provides strategic directions in each of Metro Vancouver's legislated areas of responsibility, along with providing guidance on near term priorities.

With the adoption of the Board Strategic Plan, annual departmental work plans are prepared for Metro Vancouver's business areas that respond to the directions of the Board Strategic Plan. These work plans include high level performance indicators that have been developed across the organization to evaluate trends, determine key actions for the coming year, and assist in long-term planning. The departmental work plans are then refined and incorporated into the individual work plans of the Standing Committees of the Board that provide political oversight to these activities.

## **Vision**

Metro Vancouver embraces collaboration and innovation in providing sustainable regional services that contribute to a livable and resilient region and a healthy natural environment for current and future generations.

## **Mission**

Metro Vancouver's mission is framed around three broad roles.

### **1. Serve as Regional Federation**

Serve as the main political forum for discussion of significant community issues at the regional level, and facilitate the collaboration of members in delivering the services best provided at the regional level.

### **2. Deliver Core Services**

Provide regional utility services related to drinking water, liquid waste and solid waste to members. Provide regional services, including parks and affordable housing, directly to residents and act as the local government for Electoral Area A.

### **3. Plan for the Region**

Carry out planning and regulatory responsibilities related to the three utility services as well as air quality, regional planning, regional parks, Electoral Area A, affordable housing, labour relations, regional economic prosperity, and regional emergency management.

## **STRATEGIC PLAN THEMES**

Planning at Metro Vancouver is built upon five central themes, which guide the development of Metro Vancouver's long-term plans and budgets.

- *Regional Growth*

The region's increasing population, projected to grow by about 35,000 per year, will require core utility services and regional services to expand and optimize to respond to new growth.

- *Environmental Sustainability*

Our region is dependent on healthy, functioning ecosystems and requires actions to reduce pollutants, including greenhouse gases, to prevent waste and to conserve our natural ecosystems.

- *Financial Sustainability*

Financial sustainability requires that core utility and regional services are delivered with an adherence to sound fiscal policies that balance the organization's long-term financial health while maintaining affordability for regional ratepayers.

- *System Stewardship*  
Critical regional infrastructure must be sufficiently maintained or replaced to meet current and future service needs and to be resilient to impacts from seismic events, wildfires, power failures, and natural disasters.
- *Regulatory & Legislative Environment*  
Core utility services and regional services will anticipate and meet regulatory requirements and respond to legislative change.

Financial sustainability is a new theme that has been added to the updated Board Strategic Plan to recognize the importance of the development of a long term financial plan.

### **30-Year Financial Planning**

Metro Vancouver provides critical services to the region, such as the provision of drinking water and liquid waste processing through infrastructure that is built to last far into the future, in some cases up to 100 years or more. To ensure the long-term serviceability of its assets and funding sources, Metro Vancouver has undertaken a financial planning process to develop a 30-Year Financial Framework. This, along with the Board Strategic Plan, regional management plans, and organizational policies, will guide the Board's decision-making by including financial sustainability as a central theme along with regional growth, environmental sustainability, system stewardship, and regulatory and legislative environment.

The 30-Year Financial Framework focuses on required revenues, borrowing, and other funding, along with the expenditures required (operating, capital, debt servicing and reserve contributions) to achieve the service levels to meet the needs of the residents of the region. The work undertaken to develop the 30-Year Financial Framework will guide the organization in financial planning and service delivery as it adjusts to a changing region and a changing world.

### **STRATEGIC DIRECTIONS**

This Plan provides strategic directions for all areas of work within Metro Vancouver, with a specific focus on the following eight functional areas:

- Regional Federation
- Water Services
- Liquid Waste Services
- Solid Waste Services
- Regional Parks Services
- Housing Services
- Regional Planning
- Air Quality & Climate Change

## Regional Federation

To be an effective federation, Metro Vancouver must ensure that there is a common understanding and support among its members on stated objectives and that as an organization it is accountable, well managed and fiscally responsible. As a federation of local governments, strong communication between Metro Vancouver and its members as well as with other stakeholders is essential.

Collaboration between members of what constitutes Metro Vancouver precedes the creation of regional districts by the Province of British Columbia in 1965. Since 1886, the communities of Metro Vancouver have cooperated in the development and delivery of services essential to our growing region. Members deliver the services best provided at the local level, as does Metro Vancouver as the local government for Electoral Area A, while Metro Vancouver as a regional government acts as a collaborative platform in areas where there are economies of scale or value in speaking with a collective voice.

### 1 ADVANCING EFFECTIVE REGIONAL GOVERNANCE

Continue to engage with members on processes and initiatives that contribute to an effective and well-functioning organization.

- 1.1 Ensure that Metro Vancouver decision-making is guided by the value of a regional perspective.
- 1.2 Provide long range projections on population, housing, employment, and land use, and their geographical distributions, to support effective decision-making for the provision of core utilities, transit and other infrastructure projects important to the region.

### 2 STRENGTHENING OUR LIVABLE REGION

Build resilience in communities to prepare for and adapt to changing physical and environmental conditions.

- 2.1 Continue Metro Vancouver's leadership on environmental stewardship.
  - Balance plans for managing anticipated population growth with measures to maintain the livability of the region.
  - Continue to promote a regional approach on climate action to all Metro Vancouver functions, including both mitigation and adaptation, through Climate 2050.
  - Facilitate collaboration with member jurisdictions to create efficiencies and improve alignment between local government policies and actions with those of Metro Vancouver.
  - Advance initiatives aligned with a transformation to a circular economy.
- 2.2 Maintain Metro Vancouver's regional role in emergency preparedness through continued delivery of services, including:
  - Contribute to the coordination of emergency response within the region.
  - Identify new threats due to climate change, including wildfires and flooding, and assess the value of proactive measures.

### 3 ENSURING FINANCIAL SUSTAINABILITY

Develop and implement financial plans and policies that reflect a commitment to sound financial management and long-term planning, in consideration of current and future ratepayers.

- 3.1 Develop and implement a 30-year financial framework that serves as the foundation for affordable service provision.
  - Continue to develop and implement asset management plans for each Metro Vancouver function that build and maintain regional infrastructure.
  - Continue to use household impact and debt service ratio as indicators of financial sustainability.
  - Align new capital expenditures to Metro Vancouver's five central themes – regional growth, environmental sustainability, financial sustainability, system stewardship, and regulatory & legislative environment.
  - Incorporate consideration of climate change mitigation into options analyses for all projects and initiatives through the use of a carbon price in life cycle costing.
- 3.2 Explore sustainable sources of new revenues.
  - Explore new mechanisms to implement the “growth pays for growth” principle.
  - Maintain and create venues for sharing information on funding applications and the consideration of regional priorities.

#### 4 FOSTERING COLLABORATION & ENGAGEMENT

Enhance relationships between Metro Vancouver and other orders of government, First Nations, adjacent regional districts, and key stakeholders.

- 4.1 Improve public and media understanding of the role of local government.
- 4.2 Strengthen relationships with First Nations.
  - Explore new opportunities to build relationships, including a recurring event involving the Metro Vancouver Board and First Nations of the region.
- 4.3 Continue to build effective working relationships with key stakeholders.
- 4.4 Promote a regional approach to advancing economic prosperity that complements the economic development work of members.

### **Water Services**

#### 1 MANAGING OUR DRINKING WATER

Maintain Metro Vancouver's world-class water system that provides clean, safe drinking water and ensure its capacity to meet future needs.

- 1.1 Provide guidance on implementing residential water metering in the region as a best management practice.
- 1.2 Explore options for reduced per capita water use through water use efficiency, conservation, and reuse.
- 1.3 Continue to develop and secure additional long-term water supply capacity from the Coquitlam source.
- 1.4 Complete the long-term water supply plan to ensure Metro Vancouver continues to supply high-quality drinking water to a growing region into the next century.



## 2 BUILDING RESILIENCE

Ensure the long-term resilience of the regional drinking water system to withstand natural hazards, climate change and other significant disruptions.

- 2.1 Continue to prioritize the seismic upgrading of infrastructure using a risk management approach.
- 2.2 Integrate climate change adaptation measures into regional water system planning and management.
  - Continue with the implementation of back-up power at regional water facilities.
  - Ensure water treatment is resilient to potential changes in source water quality resulting from climate change.
- 1.3 Take action to adapt to the impacts of higher intensity storms and potential wildfires within the source watersheds.

## 3 ENSURING FINANCIAL SUSTAINABILITY

Develop and implement financial plans and policies that reflect a commitment to sound financial management and long-term planning, in consideration of current and future ratepayers.

- 3.1 Explore the potential application of development cost charges (DCCs) to fund growth-driven regional water infrastructure.
- 3.2 Pursue opportunities for energy recovery projects in the regional water system with a positive business case.
- 3.3 Develop and implement a 30-year financial framework, providing members with financial projections associated with the regional water system.

## 4 FOSTERING COLLABORATION & ENGAGEMENT

Strengthen awareness and engagement with the public, members, other orders of government, and key stakeholders on a range of initiatives that will ensure the delivery of clean, safe drinking water, now and into the future.

- 4.1 Continue to promote water conservation through public education and stakeholder engagement using messaging that conveys that drinking water is a precious resource.
- 4.2 Work with members to promote sustainable indoor and outdoor water use to reduce water demand through seasonal watering restrictions, rainwater collection and other initiatives.
- 4.3 Work with industry groups and regulatory authorities to explore opportunities for greywater reuse.
- 4.4 Work with First Nations and fisheries agencies in supporting the restoration of fish populations in the watersheds while maintaining the delivery of clean, safe drinking water.
- 4.5 Expand public awareness of the unique characteristics of the regional drinking water system.

## **Liquid Waste Services**

### **1 MANAGING OUR LIQUID WASTE**

Enhance the management of the liquid waste system with a commitment to innovative approaches to protect the health of the public and the environment.

1.1 Assess the value of moving to advanced levels of treatment, including tertiary treatment, at each of the wastewater treatment plants.

- Understand the impacts of contaminants on the ecosystem, and consider options for advanced levels of treatment.
- Explore the role of new source controls/incentives that would prevent the release of contaminants into the liquid waste system.

1.2 Incorporate innovation into building and operating the system.

- Continue to explore energy, resource recovery, water reuse, and GHG reduction opportunities, and implement options where feasible.
- Adopt technologies that will increase the efficiency of the system.

1.3 Ensure that system capacity is “right-sized” to keep pace with population growth.

### **2 BUILDING RESILIENCE**

Ensure the long-term resilience of the regional sewage and drainage system to withstand natural hazards, climate change and other significant disruptions.

2.1 Develop a long-term strategy for seismic upgrades, including identifying priority projects, to enhance the liquid waste system’s resilience using a risk management approach.

2.2 Ensure that all facilities and the sewerage network can withstand projected increases in sea levels, severe storms, and extreme precipitation events.

### **3 ENSURING FINANCIAL SUSTAINABILITY**

Develop and implement financial plans and policies that reflect a commitment to sound financial management and long-term planning, in consideration of current and future ratepayers.

3.1 Evaluate the implications of moving to a single sewerage area over the long term.

3.2 Pursue partnership funding for large infrastructure projects with regional benefit.

3.3 Continue review of industry discharge fees to ensure appropriate cost recovery.

3.4 Develop and implement a 30-year financial framework, providing members with financial projections associated with the regional liquid waste system.

### **4 FOSTERING COLLABORATION & ENGAGEMENT**

Strengthen awareness and engagement with the public, members, other orders of government, and key stakeholders on a range of initiatives that will ensure that the regional liquid waste system protects public health and the environment, now and into the future.

- 4.1 Work with members and the federal and provincial governments to eliminate combined sewer overflows.
- 4.2 Work with members on the implementation of effective inflow and infiltration reduction strategies, including incentives and regulation related to management of private property connections.
- 4.3 Expand public awareness of the value of the liquid waste management.

## **Solid Waste Services**

### **1 MANAGING OUR SOLID WASTE**

Reduce waste, increase recycling, and increase recovery of materials and energy from remaining waste. Dispose of residuals in a cost-effective and environmentally sustainable manner.

- 1.1 Expand actions that will reduce the amount of litter and waste that members manage.
  - Work with members, the provincial government, and the federal government on strategies to reduce single use items and other consumer products.
- 1.2 Continue to develop programs and related communication campaigns that increase diversion rates of materials that can be reused, repurposed or recycled.
  - Continue to expand and enhance the disposal ban program.
  - Identify upstream and recycling solutions with the region that will reduce the volume of solid waste generated in the region.
  - Focus on the multi-family residential and commercial/institutional sectors where recycling rates are lower.
  - Continue to expand recycling options at regional transfer stations.
- 1.3 Research opportunities to close the gaps and ensure sufficient capacity in the regional recycling and waste diversion system.
  - Work with the private sector to innovate in the provision of recycling solutions, including micro-solutions.
  - Assess Metro Vancouver's role in processing organics and wood.
- 1.4 Identify future disposal alternatives and develop analysis for each, providing life cycle & full cost analysis including greenhouse gas emission estimates.

### **2 ENSURING FINANCIAL SUSTAINABILITY**

Develop and implement financial plans and policies that reflect a commitment to sound financial management and long-term planning, in consideration of current and future ratepayers.

- 2.1 Ensure Metro Vancouver is maximizing the recovery of materials and energy from the management of the regional solid waste system.
  - Assess the viability of implementing district heating at the waste-to-energy facility.
  - Seek out public and private partnerships to facilitate the recovery of materials and energy.
- 2.2 Perform on-going analysis of the impact of the tipping fee structure, both in terms of its ability to fund the system and to change behaviour.

- 2.3 Develop and implement a 30-year financial framework, providing members with financial projections associated with the regional solid waste system.

### 3 FOSTERING COLLABORATION & ENGAGEMENT

Strengthen awareness and engagement with the public, members, other orders of government, and key stakeholders on a range of initiatives that will reduce waste generated in the region.

- 3.1 Utilize the potential of the National Zero Waste Council and the annual Zero Waste Conference to promote the importance of waste prevention and the value of transitioning to a circular economy.
  - Facilitate cross-sector collaboration to design waste out of products and packaging and to harmonize policies across Canadian jurisdictions that will both reduce waste and create economies of scale in remanufacturing opportunities.
- 3.2 Work with the provincial government and key stakeholders to expand the products included in extended producer responsibility (EPR) programs.
- 3.3 Continue to expand public education and behaviour change campaigns consistent with the objectives of zero waste.

## Regional Parks Services

### 1 ADVANCING OUR MISSION TO “PROTECT & CONNECT”

Regional parks provide opportunities for residents and visitors to explore and enjoy a diversity of natural spaces, from beaches to mountains, from bogs to lakes, in the region. The regional parks system also protects green spaces.

- 1.1 Pursue the acquisition of new lands for regional parks and greenways to provide more opportunities for access to green space as the population grows and to respond to increasing demands on existing parks.
- 1.2 Develop individual park plans that provide public access to parks and protect important ecosystems and habitats.
- 1.3 Maintain the primary purpose of regional parks as providing public access for recreational use.

### 2 ENSURING FINANCIAL SUSTAINABILITY

Develop and implement financial plans and policies that reflect a commitment to sound financial management and long-term planning, in consideration of current and future ratepayers.

- 2.1 Explore and evaluate potential new revenue sources and their impacts, including:
  - Development cost charges
  - Park fees and parking fees
  - Increased private donations
  - Revenue opportunities and development opportunities associated with greenways
- 2.2 Develop and implement a 30-year financial framework, providing members with financial projections associated with the regional parks system.

### 3 FOSTERING COLLABORATION & PARTNERSHIPS

Strengthen awareness and engagement with the public, members, other orders of government, and key stakeholders on a range of initiatives regarding the role and value of regional parks.

- 3.1 Explore opportunities with First Nations including co-management and the provision of park services.
- 3.2 Pursue collaboration opportunities and synergies among members, other organizations with utility corridors, and TransLink to create urban greenways and park space.
  - Position potential greenways as an opportunity to engage more people in active transportation including biking and walking.
  - Leverage the tourism value of a regional greenway/blueway network that could contribute to economic development opportunities.
- 3.3 Explore opportunities to increase access through public transit and active transportation modes to regional parks.
- 3.4 Expand community involvement in stewardship programs with a special focus on youth.

## Housing Services

### 1 DEVELOPING AN AFFORDABLE HOUSING PLAN

Develop and implement a Metro Vancouver affordable housing plan to support affordable housing in the region.

- 1.1 Advance Metro Vancouver's role in providing affordable housing, including:
  - Identifying target tenant groups.
  - Establishing opportunities for partnerships to expand the number of housing units.
  - Working with member jurisdictions to distribute Metro Vancouver Housing Corporation services across the region.
- 1.2 Define Metro Vancouver Housing Corporation rental unit affordability, including consideration of subsidized/low-end market, market, and the "missing middle".

### 2 ENSURING FINANCIAL SUSTAINABILITY

Develop and implement financial plans and policies that reflect a commitment to sound financial management and long-term planning, in consideration of current and future residents.

- 2.1 Evaluate opportunities for increasing the number of Metro Vancouver Housing Corporation rental units.
  - Increase the density of existing MVHC sites through redevelopment of aging rental units.
  - Consider land swaps to secure land where number of rental units can be increased.
  - Create partnerships to enable the expansion of rental units: with members to secure more lands; and with the private sector for existing sites where there are opportunities to increase the number of affordable rental units.

- Explore introducing market units to generate revenue to provide subsidized rental units.
- 2.2 Consider the feasibility of establishing a tax requisition to support partnerships with members in the development of new housing supply.

### 3 FOSTERING COLLABORATION & ENGAGEMENT

Strengthen awareness and engagement with the public, members, other orders of government, and key stakeholders on a range of initiatives regarding the role and value of Metro Vancouver Housing Corporation.

- 3.1 Exercise Metro Vancouver's role as convenor to bring government (local and other orders of government), businesses and their associations, community, and academic experts together to share ideas on how to expand the amount of affordable housing.
- 3.2 Work with tenant communities to help ensure tenants are engaged and connected to the places they live.
- 3.3 Continue to work with the provincial and federal governments to access programs that will generate new affordable housing and support upgrading existing rental units to be more energy efficient.
- 3.4 Work with the private sector to explore opportunities for partnerships to increase the supply of Metro Vancouver Housing Corporation's rental units.

## Regional Planning

### 1 ADVANCING THE REGIONAL GROWTH STRATEGY

Continue to develop and implement effective and adaptive tools and processes for achieving the goals articulated in Metro 2040, the regional growth strategy.

- 1.1 Continue to refine and update the population, housing, employment, and land use projections, and their expected geographical density distributions, to support the long range planning of utilities, members, and TransLink.
- 1.2 Undertake a comprehensive update to Metro 2040 to prioritize climate change, [align](#) with the update to the Regional Transportation Strategy, and extend the timeframe to 2050.

### 2 ENSURING COMPLETE & LIVABLE COMMUNITIES

Support the efforts of members in developing complete, livable [and healthy](#) communities.

- 2.1 Work with members and TransLink to increase transit-oriented development and for the provision of a mix of housing types and tenures within those corridors.
- Encourage and protect affordable housing, specifically rentals, in transit-oriented locations.
- 2.2 Facilitate the exchange of best practices and experiences among members, researchers, and thought leaders on the subject of creating complete, livable [and healthy](#) communities.

### 3 PROTECTING LANDS WITHIN THE REGION

Guide the development of policies, plans, and tools that lead to creative solutions for managing competing demands on land in the region.

- 3.1 Work with members to protect industrial and employment lands that support economic activities contributing to regional prosperity.
  - Identify actions to address the issues of speculation and zoning changes that are threatening the region's industrial land supply.
  - Analyze the potential for increasing the intensification of industrial lands.
- 3.2 Work with members and the Agricultural Land Commission to protect and optimize the use of agricultural land.
- 3.3 Through the protection of agricultural lands, support local food production that could contribute to food security and the long-term resilience of the region.
- 3.4 Work with members to protect conservation and recreation lands in the region and to support the protection of sensitive ecosystems.

### 4 FOSTERING COLLABORATION & ENGAGEMENT

Strengthen awareness and engagement with the public, members, other orders of government, and key stakeholders on a range of initiatives regarding the role and value of land use planning at the regional scale and the objectives of the regional growth strategy.

- 4.1 Develop a plan to engage the public and other stakeholders in the update to the regional growth strategy.
- 4.2 Ensure alignment between the regional growth strategy and TransLink's Regional Transportation Strategy.
  - Direct development to urban centres and frequent transit corridors.
- 4.3 Collaborate with the provincial government, members, and adjacent regional districts on how to align regional land use planning and provincial plans for building and expanding transportation infrastructure.

## Air Quality & Climate Change

### 1 TAKING LEADERSHIP ON CLIMATE ACTION THROUGH *CLIMATE 2050*

Guide climate change policy and action for the Metro Vancouver region for the next 30 years with Metro Vancouver's *Climate 2050* strategy.

- 1.1 Update Metro Vancouver's greenhouse gas emission targets.
  - Revise the target for 2050 to reflect current science, capturing the need to move to carbon neutrality by 2050.
  - Support long-term targets with interim targets, and report progress towards meeting those targets.

- 1.2 Develop and advocate for actions fundamental to meeting regional greenhouse gas emission targets and ensuring our region is resilient to the impacts of climate change.
  - Implement actions that will lead to emission reductions, specifically focusing on the Climate 2050 issue area roadmaps of nature and ecosystems, infrastructure, human health and well-being, buildings, transportation, industry, energy, land-use and growth management, agriculture, and waste.
  - Include actions that will facilitate the transition to clean, renewable sources of fuel in transportation and in energy provision.
  - Advocate for changes in provincial and federal legislation that will enable the meeting of greenhouse gas reduction targets across all sectors.
  - Explore opportunities for creating carbon sinks to sequester carbon, including through ecosystem restoration projects and by increasing urban and rural forest canopies.
- 1.3 Undertake corporate climate action that supports regional climate change mitigation and adaptation goals and targets and demonstrates leadership.
  - Continue to explore options for generating clean, renewable sources of energy from Metro Vancouver utilities.
  - Expand opportunities for greater use of zero-emission vehicles in the corporate fleet.
  - Ensure that Metro Vancouver asset management policies incorporate climate change adaptation actions.

## 2 IMPROVING AIR QUALITY

Improve air quality by mitigating threats to public health and the environment.

- 2.1 Improve understanding of air quality issues in the region by expanding air monitoring capacity.
- 2.2 Continue to identify air contaminants in the region, identify priorities and pursue effective actions to reduce pollutants.
- 2.3 Explore solutions for mitigating health impacts of diminished air quality due to wildfires.

## 3 FOSTERING COLLABORATION & ENGAGEMENT

Strengthen awareness among and engagement with the public, members, other orders of government, and other stakeholders in the implementation of Climate 2050, and foster regional coordination to help implement effective adaptation measures and achieve the long-term targets in reducing greenhouse gas emissions.

- 3.1 Monitor evolving science and technology related to climate change, and provide the public with more information on the science of climate change, its implications for the Metro Vancouver region, and the scope of actions required to both reduce greenhouse gas emissions and adapt to the changes already triggered by climate change.
- 3.2 Engage members, industry and business associations, community and non-governmental organizations, utilities, post-secondary institutions, and youth in the implementation of Climate 2050.
- 3.3 Engage with provincial and federal governments and First Nations on specific actions to reduce greenhouse gas emissions and adapt to climate change.
  - Pursue partnerships with other orders of government to fund innovative projects that will generate clean, renewable sources of energy from Metro Vancouver utilities.



- Work with the provincial government to address the changing conditions for farming in the region, including consideration of new irrigation infrastructure and changes in farming techniques.
- 3.4 Develop partnerships with member jurisdictions and industry to replace fossil fuels with clean, renewable energy that can be generated from Metro Vancouver utilities.

## Board Strategic Planning Workshop

### Workshop Notes

A Board Strategic Planning Workshop was held on April 26<sup>th</sup> and 27<sup>th</sup>, 2019, with the purpose of developing the *Metro Vancouver Board Strategic Plan 2019 to 2022*. Directors (or their alternates) sat in tables of 6-7 and discussed each Metro Vancouver function, one by one. This document provides a summary of discussions at the workshop, and will be the basis for creating the new *Board Strategic Plan*; the summary of discussions was created using the notes taken during the table report backs, and the raw table notes (transcribed from the flipcharts used at the session).

### Participants

Elected officials in attendance were:

Chief Ken Baird  
Director Neil Belenkie  
Director Mary-Ann Booth  
Director Christine Boyle  
Director Malcolm Brodie  
Vice Chair Linda Buchanan  
Director Pietro Calendino  
Director Adriane Carr  
Director Jonathan Coté  
Director Melissa De Genova  
Chair Sav Dhaliwal  
Director Bill Dingwall  
Director Lisa Dominato  
Alternate Director Judy Dueck  
Director Doug Elford  
Alternate Director Helen Fathers  
Director Michael Feeley  
Director Jack Froese  
Alternate Director Pete Fry

Director Laurie Guerra  
Director Colleen Hardwick  
Director David Hocking  
Director Craig Hodge  
Director Mike Hurley  
Director Lois Jackson  
Director Mike Little  
Director Brenda Locke  
Alternate Director Hunter Madsen  
Director Doug McCallum  
Director John McEwen  
Director Ron McLaughlin  
Alternate Director Allison Patton  
Director Steven Pettigrew  
Director Kim Richter  
Director Harold Steves  
Director Richard Stewart  
Director Val van den Broek  
Director Brad West  
Director Michael Wiebe

Staff in attendance to facilitate discussions were:

Jessica Beverley  
Donna Brown  
Neal Carley  
Ravi Chhina  
Lucy Duso  
Megan Gerrys  
Kelly Hardy  
Paul Henderson

Tim Jervis  
Tess Kitchen  
Carol Mason  
Peter Navratil  
Chris Plagnol  
Dean Rear  
Ann Rowan  
Heather Schoemaker  
Phil Trotsuk

## Summary of Discussions

In the bullets given below, ✓ indicates that a bullet was mentioned again by another table.

### **Regional Federation**

#### ✓✓✓ Financial sustainability & responsibility, including:

- Essential that we follow 30-year planning
- Revenue generation
- Growth pays for growth
- Concern about cost increases
- Right-sizing facilities
- Affordability & balance; debt vs affordability

#### ✓✓✓ Regional approach to prosperity / economic development

- More aggressively seek funds

#### ✓✓ Emergency preparedness regional coordination

- Including social emergencies
- Require more resources

#### ✓ Leadership on environmental stewardship

- Especially on climate action, including mitigation
- Livable region

#### ✓ Strengthen relationship with First Nations

#### ✓ Regional federation model

- Regional equity
- Regional district representation
- Regional perspective

#### ✓ Land use & urban planning

Regional planning – economy, population growth, transportation, food security

Role of local government

Transportation mandate

Relationship with TransLink

## Water Services

### Funding going forward

- ✓✓✓✓✓ Water DCCs
- Land value capture work with TransLink
- Excess water as source of revenue
- ✓✓✓ Water metering – exploration/analysis of option
  - Needs to be regional to ensure equity / fairness
  - Other demand management options must be considered
  - Cost issues may be prohibitive
- ✓✓ Energy recovery
  - Subject to business case
  - Worth considering in light of recent provincial approval
- ✓✓ System resilience
  - Seismic upgrading: we need to establish standards
- ✓ Water conservation
  - Rain water collection
- ✓ Managing costs
- ✓ Climate change adaptation
  - Should increase storage capacity

### Education

Importance of water quality – security of water supply

Water as a precious resource

Climate change as a major concern

## Liquid Waste Services

### ✓✓✓ Analysis of one sewerage area vs current four areas

- ✓ Implementation of one sewerage area would require first ensuring equity among existing areas, including considering past contributions
- Make decisions as a region

### ✓✓✓ Move to tertiary treatment

- New contaminants like microplastics
- Important for health of marine ecosystems
- Need to consider how quickly to move to this; probably not an immediate priority
- Need further info regarding outflows and inputs to the system

### ✓✓✓ Combined sewer separation

- Climate change impacts
- Look into more financial support

Combined sewer overflows – educational campaign needed

Smoothing out debt servicing

Right-sizing infrastructure

Innovation in building the system

Energy & resource recovery – business case is strong for expansion

Is Industry paying its fair share?

Educational component

Work now to save later

Getting commitments from federal government for stable, predictable funding

System resilience – importance of maintenance

## Solid Waste Services

### ✓✓✓ Extended producer responsibility

- Upfront fees for disposal
- Lobbying Province
- Mattresses, etc.
- Reducing packaging – esp. unnecessary packaging
- ✓ Reduction/elimination of single use items
  - Opportunity for MV to create strategies, coordinate community action, advocate to senior levels of government

### ✓ Future disposal alternatives – need full life cycle & full cost analysis

- Including GHGs
- Ensure we are maximizing use of resources, eg, biosolids, cement
- Recovery of energy & materials – continue & expand

### ✓ Zero waste economy

- Being accountable for all waste
- Zero net disposal as a goal, including circular economy principles

### ✓ MV role to support consistency at community level

- Simplifying recycling & making it consistent

### Public education & social transformation is important

- Are we currently underinvesting?
- Addressing single use plastics
- Continue to invest in K-12 programs

### Work with the private sector to ensure innovative solutions to address system gaps

### Demand management issues

- Tipping fees – lower to make it easier for people to make the right decisions
- Increase diversion rates, eg, textiles
- Comprehensive analysis for disposal bans

### Solutions for organics – finding improved systems

### Encourage district heating for future developments

### Review Metro Vancouver's role in providing organics services

### What more can we do to keep waste in our community

### Work with private sector to advance recycling and organics management, including exploring micro solutions

### Action on cigarette butts

### Innovative upstream & recycling solutions

## Regional Parks Services

### ✓✓✓✓ Increase acquisition

- Due to growing population and densification
- Need more funding for this

### Funding

- ✓✓✓ Explore DCCs
- Trust funds
- Need to increase funding
- Parking fees vs park fees, can also help traffic demand management
- “Respectful retail” – food services to add value

### ✓ Importance of public access

- Retain public access/recreation as primary purpose

### ✓ Working with First Nations

- Involvement opportunities; co-management

### Greenways

- ✓ Greenways development plan requires partnerships with municipalities
- Consider blueways
- Value of prioritizing greenway development at a regional level, including pathways across municipal boundaries
- Inter-urban greenways as a model for the future

Balance use and growth of parks with protecting natural ecosystems

Better use of existing parks including elevated trails

Measuring success

Regional Parks are the most visible service provided by MV; separating Regional Parks from the MV tax requisition might help build support for other MV services

Need to increase transit access to parks - work with TransLink

Smart land use adjacent to rivers and greenways; development opportunities and revenue opportunities

Standards of service among municipalities and Metro Vancouver

Clarifying roles

Opportunities for collaboration

## Housing Services

✓✓✓ Partnerships with others (private and public sectors, other levels of government, other land owners)

- With municipalities for land
- With developers to offset capital costs
- To increase units

✓✓ Retain existing land

✓ Density existing sites

✓ Growth in MVHC units – must accelerate

✓ Importance of Metro Vancouver's existing role in housing

- MV should be in housing business, especially considering current housing crisis
- MV has a particular niche that it should maintain

## Revenue

- ✓ Must increase
- Cannot wait for provincial and federal governments to step up
- Advocate for funding through speculation tax from Province
- Consider DCCs

## Target market for MV in affordable housing

- Subsidized / low end market
- Missing middle

## Innovation on housing models

- Expertise, modelling, convener role
- Sharing best practices for market housing
- Zoning tools to ensure additional rental housing

## Distribution of housing complexes across the region / equity to members

## Ensuring right fit of tenants and units

Consider moving sites – in a phased approach, can smooth the development / densification process



## Regional Planning

### ✓✓✓ Work closely with TransLink

- Metro 2050 and TransLink plans must be aligned
- TransLink plan needs to be better communicated
- Regional Planning and Regional Transportation Strategy work must be aligned
- Align development with transportation corridors

### ✓✓ Protect industrial land

- Speculation and zoning changes
- Intensification
- Consider some limited residential on Industrial lands

### ✓ Protect agricultural land

- Under-utilized agricultural land
- Quality of agricultural land questionable
- Consideration of housing
- Agricultural Land Reserve – protection of food supply

### ✓ Encourage/protect affordable housing in transit-oriented locations

- Number of people impacted must be considered when prioritizing

### ✓ Transit-oriented development and a need for a mix of housing types within those corridors

Predicting pace of growth

Importance of a regional perspective

Engaging parties in revisiting Regional Growth Strategy: citizens, members

Complete mixed-use communities

Location of employment areas

Collaboration with Province, Fraser Valley for regional planning and transportation

## Air Quality & Climate Change

### ✓✓✓ Update climate change targets & make more ambitious

- ✓ Align Climate 2050 with IPCC
- ✓✓✓ Support targets with interim targets, also set to be ambitious
- Targets should reflect current science, including interim targets
- Need data to measure progress on targets

### ✓✓ Develop & advocate for tactics that will get us to the targets

- Capturing carbon, creating carbon sinks (canopies), ecosystem restoration
- Increase urban & rural forest canopies
- Potentially explore a regional carbon trust; would be beneficial in getting to net zero carbon

### ✓ Additional air monitoring capacity, especially near Fraser Valley

#### Corporate climate action

- Corporate plan should reflect regional targets
  - Fleet efficiency, buildings, etc.
- Ensuring MV policies encourage mitigation & adaptation to protect assets
- Lead by example

#### Include climate implications in Board reports

#### More action needed on adaptation

- Making plans for fresh water irrigation, given sea level rise
- Planning for farming techniques

#### Adaptation balanced with mitigation – resource considerations

Regional coordination is important for climate planning; integration of all areas of Metro Vancouver for impact reduction

#### Reduce other pollutants that affect air quality

#### Look into creative solutions with air quality, beyond monitoring & communication

#### Talking to Province to change building code re air exchange systems

- EV infrastructure (can be embedded in building code)

#### Board and Committee engagement with climate leaders

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To: MVRD Board of Directors

From: Sav Dhaliwal, Chair, MVRD Board

Date: July 8, 2019 Meeting Date: July 26, 2019

Subject: **Metro Vancouver 2019 Appointments to External Agencies – Amendment for Lower Mainland Local Government Association**

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**RECOMMENDATION**

That the MVRD Board appoint Director Neil Belenkie, as the 2019 Metro Vancouver representative to the *Lower Mainland Local Government Association* for the remainder of 2019 term.

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**PURPOSE**

To appoint a Director to represent Metro Vancouver on the Lower Mainland Local Government Association to fill a vacancy for the remainder of the 2019 term.

**BACKGROUND**

On June 26, 2019, Metro Vancouver received correspondence from the Lower Mainland Local Government Association (LMLGA) requesting that a new representative from the MVRD Board be appointed to the LMLGA to fill a recent vacancy.

This report brings forward background information for consideration by the Board.

**EXTERNAL AGENCY APPOINTMENTS**

At its December 7, 2018 meeting, the Board considered appointments to a number of external agencies. At that meeting, the Board appointed Mayor Mike Little, North Vancouver District, to the Lower Mainland Local Government Association. Recently, the LMLGA informed Metro Vancouver that Mayor Little is no longer able to fulfill the role as the Board's representative, and requests the Board to appoint a new member.

**Lower Mainland Local Government Association**

The Lower Mainland Local Government Association (LMLGA) represents member jurisdictions from the Metro Vancouver Regional District, the Fraser Valley Regional District, and the Squamish-Lillooet Regional District. Interests include services provided by Local Government, the welfare and well-being of taxpayers and residents, and the promotion of changes in legislation, regulations, or government policies. The LMLGA Executive Board comprises 11 elected local government officials representing all members of the association. The Executive Board meets on a monthly basis.

**ALTERNATIVES**

1. That the MVRD Board appoint Director Neil Belenkie, as the 2019 Metro Vancouver representative to the *Lower Mainland Local Government Association* for the remainder of 2019 term.

- 
2. That the MVRD Board decline to appoint a representative to the *Lower Mainland Local Government Association* for the remainder of 2019 term.

### **FINANCIAL IMPLICATIONS**

If the Board approves Alternative 1, there will be no change to the financial implications. Pursuant to the *Remuneration Bylaw*, Metro Vancouver would continue to remunerate its representative attending the LMLGA meetings. There are three meetings remaining in the 2019 term.

Under Alternative 2, Metro Vancouver would not have a representative on the LMLGA and therefore would not be responsible for any associated remuneration for meeting attendance.

### **SUMMARY / CONCLUSION**

Metro Vancouver has been requested to appoint a member to the *Lower Mainland Local Government Association* for the remainder of 2019 term, as the current representative has stepped down. The appointment of a new representative will ensure that inter-agency relations are sustained and that Metro Vancouver will have continued representation and input on discussions affecting its interests. Alternative 1 is recommended.

### **Attachments**

1. Correspondence dated June 26, 2019 to Chair Dhaliwal, regarding representation on the Local Mainland Local Government Association

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# LOWER MAINLAND

## LOCAL GOVERNMENT ASSOCIATION

PO Box 729, Pemberton, B.C. V0N 2L0 **PHONE:** 604-698-5753

June 26, 2019

Sav Dhaliwal  
Board Chair  
Metro Vancouver Regional District  
Metrotower III, 4730 Kingsway  
Burnaby, BC V5H 0C6  
Sent via e-mail: [sav.dhaliwal@burnaby.ca](mailto:sav.dhaliwal@burnaby.ca)

Dear Chair Dhaliwal

I'm writing to request a new appointee from Metro Vancouver to the Lower Mainland Local Government Association. Our current representative, Mayor Mike Little has informed us that he will be stepping down as he will be away during our May 2020 Annual Convention in Whistler. Mayor Little has been a valuable member of our executive and he will be missed.

Our next meeting of the Executive will be on Wednesday, September 25<sup>th</sup> at the UBCM Convention in Vancouver. It would be ideal if you are able to name a new appointee prior to the meeting, so that he or she may attend.

Please contact our Executive Director, Shannon Story at [sstory@lmlga.ca](mailto:sstory@lmlga.ca) or 604-698-5753, with the name and contact information for the new appointee.

Thank you for your consideration.

Sincerely,

Mayor Jack Crompton  
LMLGA President

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To: Performance and Audit Committee

From: Dean Rear, Director – Financial Planning and Operations, Financial Services

Date: June 25, 2019 Meeting Date: July 4, 2019

Subject: **City of New Westminster – Metro Vancouver Regional District Security Issuing Bylaw No. 1288, 2019**

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**RECOMMENDATION**

That the MVRD Board:

- a) pursuant to Sections 182(1)(b) and 182(2)(a) of the Community Charter, give consent to the request for financing from the City of New Westminster in the amount of \$22,145,000;
  - b) give first, second and third reading to *Metro Vancouver Regional District Security Issuing Bylaw No. 1288, 2019* being a bylaw to authorize the entering into an Agreement respecting financing between the Metro Vancouver Regional District and the Municipal Finance Authority of British Columbia;
  - c) pass and finally adopt *Metro Vancouver Regional District Security Issuing Bylaw No. 1288, 2019*; and
  - d) forward *Metro Vancouver Regional District Security Issuing Bylaw No. 1288, 2019* to the Inspector of Municipalities for Certificate of Approval.
- 

**PURPOSE**

To consider the adoption of a Security Issuing Bylaw to authorize a borrowing request from the City of New Westminster in the amount of \$22,145,000 for the Fall 2019 MFA long term debt issue.

**BACKGROUND**

This report is being brought forward to introduce *Metro Vancouver Security Issuing Bylaw No. 1288, 2019* and consider its adoption to authorize a borrowing request from the City of New Westminster in the amount of \$22,145,000 for Construction and Improvements to Civic Infrastructure, Fibre Optic and the Purchase of Land for inclusion in the Fall 2019 MFA long term debt issue.

**MUNICIPAL BORROWING REQUEST****Request Details**

Under provincial legislation, municipal borrowing requests must be approved by their respective council by way of Loan Authorization Bylaw and Security Issuing Resolution. Such borrowings must then be approved by the MVRD Board and included in a MVRD Security Issuing Bylaw to move forward. Upon approval, the request is then considered by the MFA.

All debt of the MVRD is a joint and several liability of its member municipalities.

The City of New Westminster Council adopted Loan Authorization Bylaw 7842, 2016 on August 29, 2016 in the amount of \$28,300,000 for Construction and Improvements to Civic Infrastructure, Fibre Optic and the Purchase of Land. The City subsequently passed the required Security Issuing

Resolution on April 29, 2019 in the amount of \$22,145,000 leaving \$6,155,000 remaining on the Loan Authorization Bylaw after the Fall issue.

The pertinent details of the bylaw are summarized as follows:

<b>MVRD Bylaw</b>	<b>Member</b>	<b>Member Bylaw</b>	<b>Purpose</b>	<b>Borrowing Request</b>	<b>Term</b>
<b>1288, 2019</b>	City of New Westminster	7842, 2016	Construction and Improvements to Civic Infrastructure, Fibre Optic; Purchase of Land	\$22,145,000	20 years

The loan authorization bylaw outlined above, has been reviewed by the Inspector of Municipalities and has received the necessary Certificate of Approval. The certificate is attached to this report.

### **Financial Analysis**

Per the Liability Servicing Limit Certificate dated January 15, 2019 the City of New Westminster had a liability servicing limit of approximately \$49,110,000. This limit represents the maximum amount, as prescribed by the Province, that the City can annually pay for servicing debt. The estimated annual debt servicing costs proposed in this bylaw will be approximately \$1,413,000. When combined with existing debt servicing costs and expected future additional debt servicing the total will be approximately \$21,360,000 which is roughly 43.5% of the City's liability servicing limit.

Additional information provided by the City of New Westminster to assist in considering this request includes:

- a copy of their security issuing resolution
- the adopted Loan Authorization Bylaw along with Statutory and Certificate of Approval
- the 2019 – 2023 Financial Plan Bylaw which includes the appropriate anticipated debt servicing costs
- Liability Servicing Limit Certificate dated January 15, 2019
- 2018 Consolidated Financial Statements which includes a note summarizing outstanding debt (Note 7) and accumulated surplus and reserve balances (Note 9 and Supplemental Schedule III)

All of which are attached to this report.

### **ALTERNATIVES**

1. That the MVRD Board:
  - a) pursuant to Sections 182(1)(b) and 182(2)(a) of the Community Charter, give consent to the request for financing from the City of New Westminster in the amount of \$22,145,000;
  - b) give first, second and third reading to *Metro Vancouver Regional District Security Issuing Bylaw No. 1288, 2019* being a bylaw to authorize the entering into an Agreement respecting financing between the Metro Vancouver Regional District and the Municipal Finance Authority of British Columbia;
  - c) pass and finally adopt *Metro Vancouver Regional District Security Issuing Bylaw No.1288, 2019*; and

d) forward *Metro Vancouver Regional District Security Issuing Bylaw No.1288, 2019* to the Inspector of Municipalities for Certificate of Approval.

2. That the MVRD Board receive for information the report dated June 6, 2019, titled “City of New Westminster – *Metro Vancouver Regional District Security Issuing Bylaw No.1288, 2019*”.

### **FINANCIAL IMPLICATIONS**

Although all member debt is a joint and several liability of all member municipalities, there are no direct financial implications to Metro Vancouver with the adoption of the bylaw.

If the Board approves Alternative 1, the City of New Westminster will proceed to borrow \$22,145,000 to fund Construction and Improvements to Civic Infrastructure, Fibre Optic and the Purchase of Land from the Municipal Finance Authority of BC.

Under Alternative 2, the City of New Westminster would be unable to borrow funds as required for the purpose intended and would need to look for other funding sources, potentially causing undue financial challenges for the City.

### **SUMMARY / CONCLUSION**

As set out in the Community Charter, the MVRD must adopt a security issuing bylaw in order to enable the City of New Westminster to proceed with their borrowing request. In light of the joint and several liability of all member municipality debt, the review of borrowing requests is prudent given the role of the Regional District.

Staff recommends consenting to the City of New Westminster’s borrowing and adopting the Security Issuing Bylaw as outlined in Alternative 1.

### **Attachments**

1. *Metro Vancouver Regional District Security Issuing Bylaw No.1288, 2019*
2. City of New Westminster - Additional Information



**METRO VANCOUVER REGIONAL DISTRICT  
BYLAW NO. 1288, 2019**

**A bylaw to Authorize the Entering into a Financing Agreement with the Municipal Finance  
Authority of British Columbia in the Amount of \$22, 145,000 (Canadian)**

WHEREAS the Municipal Finance Authority of British Columbia (the “Authority”) may provide financing of capital requirements for Regional Districts or for their member municipalities by the issue of debentures or other evidence of indebtedness of the Authority and lending the proceeds therefrom to the Regional District on whose request the financing is undertaken;

AND WHEREAS the City of New Westminster is a member municipality of the Metro Vancouver Regional District (the “Regional District”);

AND WHEREAS the Regional District is to finance from time to time on behalf of and at the sole cost of the member municipalities, under the provisions of Section 410 (formerly section 824) of the *Local Government Act*, the works to be financed pursuant to the following loan authorization bylaw:

<b>Member Loan Authorization Bylaw Number</b>	<b>Purpose</b>	<b>Amount of Borrowing Authorized</b>	<b>Amount Already Borrowed</b>	<b>Borrowing Authority Remaining</b>	<b>Term of Issue</b>	<b>Amount of Issue</b>
7842, 2016	Construction and Improvements to Civic Infrastructure, Fibre Optic; Purchase of Land	\$28,300,000	\$0	\$28,300,000	20 Years	\$22,145,000

AND WHEREAS the Regional Board, by this bylaw, hereby requests such financing shall be undertaken through the Authority:

NOW THEREFORE the Metro Vancouver Regional District Board of Directors enacts as follows:

1. The Regional Board hereby consents to financing the debt of the City of New Westminster in the amount of twenty-two million and one hundred forty-five thousand dollars (\$22,145,000) in accordance with the following terms.
2. The Authority is hereby requested and authorized to finance from time to time the aforesaid undertakings at the sole cost and on behalf of the Regional District and its member municipalities up to, but not exceeding twenty-two million and one hundred forty-five thousand dollars (\$22,145,000) in lawful money of Canada (provided that the Regional District may borrow all or part of such amount in such currency as the Trustees of the Authority shall determine but the aggregate amount in lawful money of Canada and in Canadian Dollar equivalents so borrowed shall not exceed \$22,145,000 in Canadian Dollars) at such interest and with such discounts or premiums and expenses as the Authority may deem appropriate in consideration of the market and economic conditions pertaining.

3. Upon completion by the Authority of financing undertaken pursuant hereto, the Chair and officer assigned the responsibility of financial administration of the Regional District, on behalf of the Regional District and under its seal shall, at such time or times as the Trustees of the Authority may request, enter into and deliver to the Authority one or more agreements, which said agreement or agreements shall be substantially in the form annexed hereto as Schedule "A" and made part of this bylaw (such Agreement or Agreements as may be entered into, delivered or substituted hereinafter referred to as the "Agreement") providing for payment by the Regional District to the Authority of the amounts required to meet the obligations of the Authority with respect to its borrowings undertaken pursuant hereto, which Agreement shall rank as debenture debt of the Regional District.
4. The Agreement in the form of Schedule "A" shall be dated and payable in the principal amount or amounts of monies and in Canadian dollars or as the Authority shall determine and subject to the Local Government Act, in such currency or currencies as shall be borrowed by the Authority under Section 1 and shall set out the schedule of repayment of the principal amount together with interest on unpaid amounts as shall be determined by the Treasurer of the Authority.
5. The obligation incurred under the said Agreement shall bear interest from a date specified therein, which date shall be determined by the Treasurer of the Authority, and shall bear interest at a rate to be determined by the Treasurer of the Authority.
6. The Agreement shall be sealed with the seal of the Regional District and shall bear the signature of the Chair and the officer assigned the responsibility of financial administration of the Regional District.
7. The obligations incurred under the said Agreement as to both principal and interest shall be payable at the Head Office of the Authority in Victoria and at such time or times as shall be determined by the Treasurer of the Authority.
8. During the currency of the obligation incurred under the said Agreement to secure borrowings in respect of City of New Westminster Civic Infrastructure Loan Authorization Bylaw No. 7842, 2016, there shall be requisitioned annually an amount sufficient to meet the annual payment of interest and the repayment of principal.
9. The Regional District shall provide and pay over to the Authority such sums as are required to discharge its obligations in accordance with the terms of the Agreement, provided, however, that if the sums provided for in the Agreement are not sufficient to meet the obligations of the Authority, any deficiency in meeting such obligations shall be a liability of the Regional District to the Authority and the Regional Board of the Regional District shall make due provision to discharge such liability.
10. The Regional District shall pay over to the Authority at such time or times as the Treasurer of the Authority so directs such sums as are required pursuant to section 15 of the *Municipal Finance Authority Act* to be paid into the Debt Reserve Fund established by the Authority in connection with the financing undertaken by the Authority on behalf of the Regional District pursuant to the Agreement.

This bylaw may be cited as "Metro Vancouver Regional District Security Issuing Bylaw No. 1288, 2019".

Read a first time this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Read a second time this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Read a third time this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Passed and finally adopted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

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Sav Dhaliwal, Chair

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Chris Plagnol, Corporate Officer

SCHEDULE A

CANADA

PROVINCE OF BRITISH COLUMBIA

AGREEMENT

**Metro Vancouver Regional District**

The Metro Vancouver Regional District (the "Regional District") hereby promises to pay to the Municipal Finance Authority of British Columbia at its Head Office in Victoria, British Columbia, (the "Authority") the sum of twenty-two million and one hundred forty-five thousand dollars (\$22,145,000) in lawful money of Canada, together with interest calculated semi-annually in each and every year during the currency of this Agreement; and payments shall be as specified in the table appearing below hereof commencing on the \_\_\_\_ day of \_\_\_\_\_, provided that in the event the payments of principal and interest hereunder are insufficient to satisfy the obligations of the Authority undertaken on behalf of the Regional District, the Regional District shall pay over to the Authority further sums as are sufficient to discharge the obligations of the Regional District to the Authority.

DATED at \_\_\_\_\_, British Columbia, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

IN TESTIMONY WHEREOF and under the authority of Bylaw No. 1288, 2019 cited as "Metro Vancouver Regional District Security Issuing Bylaw No. 1288, 2019". This Agreement is sealed with the Corporate Seal of the Metro Vancouver Regional District and signed by the Chair and the officer assigned the responsibility of financial administration thereof.

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Treasurer

Pursuant to the *Local Government Act*, I certify that this Agreement has been lawfully and validly made and issued and that its validity is not open to question on any ground whatever in any Court of the Province of British Columbia.

Dated \_\_\_\_\_, 20\_\_\_\_  
(month, day)

\_\_\_\_\_  
Inspector of Municipalities

PRINCIPAL AND/ OR SINKING FUND DEPOSIT AND INTEREST PAYMENTS

<u>Date of Payment</u>	Principal and/or Sinking Fund <u>Deposit</u>	<u>Interest</u>	<u>Total</u>
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____

**April 29, 2019 Council resolution regarding:  
Municipal Security Issuing Resolution #7842**

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**16. Municipal Security Issuing Resolution #7842**

**MOVED and SECONDED**

*THAT Council approves borrowing from the Municipal Finance Authority of British Columbia (MFA), as part of their 2019 fall issue, \$22,145,000 as authorized through the New Westminster Civic Infrastructure Loan Authorization Bylaw No. 7842, 2016; and*

*THAT Metro Vancouver be requested to consent to the City borrowing \$22,145,000 over a 20-year term and include the borrowing in their security issuing bylaw.*

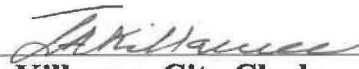
*THAT assurance be provided through this resolution to the Ministry and the Municipal Finance Authority that the City will not issue any further debt against the remaining balance on the Civic Facilities, Road Maintenance and Park Development Loan Authorization Bylaw 7528, 2012.*

**CARRIED.**

All members of Council present voted in favour of the motion.

**Certified to be a true and correct copy of:**  
April 29, 2019 Regular Council Resolution,  
Item 16. Municipal Security Issuing Resolution #7842

**Date of Certification:** May 1, 2019

  
\_\_\_\_\_  
**Jacquie Killawee, City Clerk**

# *City of New Westminster*

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## CORPORATION OF THE CITY OF NEW WESTMINSTER

New Westminster Civic Infrastructure Loan Authorization Bylaw No. 7842, 2016

A Bylaw to Authorize Borrowing for the purpose of constructing and upgrading  
Civic Infrastructure and to purchase land

WHEREAS pursuant to section 179 of the Community Charter a council may by a loan authorization bylaw, adopted with the approval of the inspector and, pursuant to section 180 of the *Community Charter*, the approval of the electors, incur a liability by borrowing for purposes of a capital nature.

AND WHEREAS Council considers it desirable to construct and improve the City's Civic Facilities and Fibre Optic Network as set out in Schedule A as well as to purchase land for a future electrical substation and district energy plant;

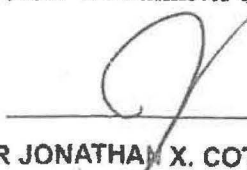
AND WHEREAS the estimated cost of constructing and improving the City's Civic Facilities, Fibre Optic Network and the estimated cost of land, including all incidental expenses is the sum of twenty eight million three hundred thousand dollars (\$28,300,000) which is the amount of debt created by this bylaw.


NOW THEREFORE, the Council of the Corporation of the City of New Westminster in open meeting assembled enacts as follows:

1. This Bylaw may be cited as "New Westminster Civic Infrastructure Loan Authorization Bylaw No. 7842, 2016".
2. The City is hereby empowered and authorized to borrow upon its credit a sum not exceeding twenty eight million three hundred thousand dollars (\$28,300,000) for the purposes of constructing and improving Civic Facilities and Fibre Optic Network as well as to purchase land for a future electrical substation and district energy plant, including expenses incidental thereto as set out in Schedule A attached to this bylaw and forming a part thereof.
3. The maximum term for which debentures may be issued to secure the debt created by this Bylaw is 20 years.

GIVEN THREE READINGS this 9th day of May 2016.

ADOPTED and the Seal of the Corporation of the City of New Westminster affixed this  
29<sup>th</sup> day of August 2016.

  
MAYOR JONATHAN X. COTÉ MAYOR

  
JAN GIBSON, CITY CLERK CITY CLERK

CORPORATION OF THE CITY OF NEW WESTMINSTER

Schedule 'A' to Civic Infrastructure Loan Authorization Bylaw No. 7842, 2016

The estimated cost of constructing and improving the City's Civic Facilities, Fibre Optic Network and the estimated cost of land, including all incidental expenses is the sum of twenty eight million three hundred thousand dollars (\$28,300,000) as outlined below:

Major building improvements to City Hall	\$ 6,000,000
Major building improvements to the Uptown Library	4,800,000
Land purchases for the future placement of an electrical substation and district energy plant	8,500,000
Fibre Optic Network Infrastructure	<u>9,000,000</u>
Total Debt Financing	<u>\$ 28,300,000</u>





## *Statutory Approval*

*Under the provisions of section* \_\_\_\_\_ **179**

*of the* \_\_\_\_\_ *Community Charter*

*I hereby approve Bylaw No.* \_\_\_\_\_ **7842**

*of the* \_\_\_\_\_ *City of New Westminster* ,

*a copy of which is attached hereto.*

*Dated this* \_\_\_\_\_ **07** *day*

*of* \_\_\_\_\_ **June , 2016**

\_\_\_\_\_  
**Deputy Inspector of Municipalities**



## *Certificate of Approval*

Under the authority of the *Local Government Act*, I certify that Bylaw No. 7842, cited as the "New Westminster Civic Infrastructure Loan Authorization Bylaw No. 7842, 2016" of the City of New Westminster has been lawfully and validly made and enacted, and that its validity is not open to question on any ground in any court of  
British Columbia.

Dated this 08 day  
of November, 2016

*Deputy Inspector of Municipalities of British Columbia*

**CORPORATION OF THE CITY OF NEW WESTMINSTER**

**BYLAW NO. 8104, 2019**

A Bylaw of the City of New Westminster representing the  
Five-Year Financial Plan for the years 2019 – 2023, inclusive

WHEREAS pursuant to Section 165 of the Community Charter, Council must  
establish a Five-Year Financial Plan for the period 2019 – 2023 inclusive;

NOW THEREFORE, the City Council of the Corporation of the City of New  
Westminster ENACTS AS FOLLOWS:

(1) This bylaw may be cited for all purposes as the “Five-Year Financial Plan  
(2019 – 2023), Bylaw No. 8104, 2019”.

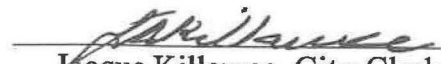
(2) Council does hereby adopt the Five-Year Financial Plan, for the years 2019 -  
2023 inclusive, for each year of the plan, as set out in Schedule A.

(3) Schedules B and C provide supplementary information to the bylaw.

GIVEN THREE READINGS this 8<sup>th</sup> day of April, 2019.

ADOPTED and the Seal of the Corporation of the City of New Westminster affixed this  
day 29<sup>th</sup> of April, 2019.

  
MAYOR JONATHAN X. COTÉ MAYOR

  
Jacque Killawee, City Clerk

## CORPORATION OF THE CITY OF NEW WESTMINSTER

## CONSOLIDATED FINANCIAL PLAN

## Schedule 'A' to Bylaw No. 8104, 2019

	2019	Budget Projections			
	Budget	2020	2021	2022	2023
<b>REVENUE</b>					
Municipal Taxation (see below)	\$ 85,366,891	\$ 89,623,012	\$ 92,939,061	\$ 97,959,664	\$ 104,049,513
Utility Rates	86,961,764	90,801,552	94,737,922	98,873,330	103,248,236
Sale of Services	14,538,524	14,633,702	14,637,180	14,640,757	14,644,438
Grants from Other Governments (1)	5,702,652	5,511,940	2,974,440	2,949,440	2,736,940
Contributions (2)	17,375,474	14,971,502	12,328,905	11,325,181	8,987,051
Other Revenue (3)	16,380,150	16,265,867	16,135,985	16,349,881	16,623,757
<b>Total Revenues</b>	<b>226,325,455</b>	<b>231,807,575</b>	<b>233,753,493</b>	<b>242,098,253</b>	<b>250,289,935</b>
<b>EXPENSES</b>					
<b>General Services</b>					
Police Services	30,373,845	30,946,836	31,447,868	31,958,256	32,710,412
Parks and Recreation	21,592,971	21,804,190	22,309,579	25,606,945	25,996,344
Fire and Rescue	17,223,940	17,510,758	17,577,875	17,922,008	18,375,902
Development Services	5,534,260	5,842,820	5,989,329	6,088,057	6,231,351
Engineering	27,193,396	27,679,146	28,169,469	28,689,845	29,176,205
General Government	24,121,889	24,699,347	24,872,948	25,406,198	26,104,285
Library	4,446,861	4,526,353	4,600,831	4,678,829	4,752,952
	<b>130,487,162</b>	<b>133,009,450</b>	<b>134,967,899</b>	<b>140,350,138</b>	<b>143,347,451</b>
<b>Utilities Services</b>					
Electrical Utility	39,075,467	40,550,084	41,626,169	41,798,257	42,648,658
Water Utility	8,366,825	9,239,624	10,149,668	11,225,160	12,446,468
Sewer Utility	12,438,373	13,237,003	14,572,845	16,044,143	17,214,372
Solid Waste Utility	3,264,771	3,364,293	3,419,428	3,443,697	3,569,774
	<b>63,145,436</b>	<b>66,391,004</b>	<b>69,768,110</b>	<b>72,511,257</b>	<b>75,879,272</b>
<b>Fiscal Expenses</b>					
Interest and Bank Charges	1,723,247	2,722,488	3,977,611	5,866,307	6,812,294
<b>Total Expenses</b>	<b>195,355,845</b>	<b>202,122,942</b>	<b>208,713,620</b>	<b>218,727,702</b>	<b>226,039,017</b>
<b>INCREASE IN TOTAL EQUITY</b>	<b>30,969,610</b>	<b>29,684,633</b>	<b>25,039,873</b>	<b>23,370,551</b>	<b>24,250,918</b>
<b>Reconciliation to Financial Equity</b>					
Amortization of Tangible Capital Assets	24,428,000	26,052,000	26,562,000	29,430,000	30,304,000
Capital Expenses (Schedule B)	(123,770,400)	(93,602,100)	(95,979,800)	(62,238,500)	(33,835,100)
Debt Retirement	(2,582,898)	(3,916,670)	(5,552,205)	(6,845,835)	(8,470,399)
Proceeds on Debt Issuance	26,630,600	35,287,800	55,922,900	28,294,900	2,038,500
Proceeds from Disposal of Assets	1,967,000	-	-	-	-
<b>CHANGE IN FINANCIAL EQUITY (Reserves)</b>	<b>(42,358,088)</b>	<b>(6,494,337)</b>	<b>5,992,768</b>	<b>12,011,116</b>	<b>14,287,919</b>
<b>Financial Equity, beginning of year</b>	<b>111,115,519</b>	<b>68,757,431</b>	<b>62,263,094</b>	<b>68,255,862</b>	<b>80,266,978</b>
<b>FINANCIAL EQUITY (Reserves), end of year</b>	<b>\$ 68,757,431</b>	<b>\$ 62,263,094</b>	<b>\$ 68,255,862</b>	<b>\$ 80,266,978</b>	<b>\$ 94,554,897</b>

## Notes:

(1) Includes capital grants noted on Schedule B.

(2) Includes capital contributions and DCCs noted on Schedule B and Gaming Revenue noted on Schedule C.

(3) Includes proceeds from property sales noted on Schedule C.

<b>Municipal Taxation</b>					
Property Taxes	\$ 83,879,791	\$ 87,963,112	\$ 91,273,661	\$ 96,228,064	\$ 102,319,413
Parcel Taxes	59,600	28,900	28,900	28,900	27,400
Grant-in-Lieu of Taxes	955,000	958,500	964,000	1,030,200	1,030,200
Utilities 1%-in-Lieu of Taxes	472,500	672,500	672,500	672,500	672,500
	<b>\$ 85,366,891</b>	<b>\$ 89,623,012</b>	<b>\$ 92,939,061</b>	<b>\$ 97,959,664</b>	<b>\$ 104,049,513</b>

**CORPORATION OF THE CITY OF NEW WESTMINSTER  
CONSOLIDATED FINANCIAL PLAN**

**Schedule 'A' to Bylaw No. 8104, 2019**

(continued)

**Proportion of Revenues By Funding Source:**

The following Table shows the proportion of total revenue purposed to be raised from each funding source. Property taxes form the largest portion of revenues. They provide a stable and consistent source of revenues to pay for many services, such as police and fire protection, that are difficult or undesirable to fund on a user-pay basis.

Utilities' rates are the City's second largest component of planned revenues. These revenues pay for services including electricity, water, sewer and solid waste and are charged on a user-pay basis. This basis attempts to fairly apportion utility service costs to those that make use of these services.

Other revenue sources, including sale of services, government grants and contributions make up the remainder of total revenues. These revenues fluctuate due to economic conditions and City initiatives.

Revenue Source	% Total Revenue
Taxation	38%
Utility Rates	38%
Sale of Services	6%
Gov't Grants	3%
Contributions	8%
Other Revenue	7%
	100%

**Distribution of Property Taxes Between Property Classes:**

The following Table provides the distribution of property tax revenue between property classes. The City's primary goal is to set tax rates that are sufficient, after maximizing non-tax revenues, to provide for service delivery; city assets; and maintain tax stability. This is accomplished by maintaining the historical relationship between the property classes and applying the same annual tax rate increase across all Classes. A secondary goal is to set tax rates that are competitive within the region; consequently, the City may, from time to time, adjust the property tax distribution between the Classes as deemed necessary.

Class No	Property Class	% Tax Burden
1	Residential	60%
2	Utilities	<1%
4	Major Industry	2%
5	Light Industry	5%
6	Business	32%
8	Recreation/Non-Profit	<1%
9	Farm	<1%
		100%

**Use of Permissive Exemptions:**

The City's Annual Municipal Report contains a list of permissive exemptions granted for the year and the amount of tax revenue foregone. Permissive tax exemption is granted to not-for-profit institutions including religious institutions, some recreational facilities, service organizations and cultural institutions that form a valuable part of our community.

Since the mid-90's the City has generally ceased granting new permissive exemptions from property taxes in order to preserve the tax revenue base. Organizations granted exemption prior to implementation of this practice continue to be considered for exemption provided they make an annual submission showing the use of the property subject to exemption has not been altered. All other applications for permissive exemption from property taxes are reviewed on a case-by-case basis.



**CORPORATION OF THE CITY OF NEW WESTMINSTER**

**CONSOLIDATED CAPITAL PROGRAM**

**Schedule 'B' to Bylaw No. 8104, 2019**

Note: This Schedule has been provided as an addendum to Schedule A. The figures in this Schedule are included in the consolidated figures in Schedule A.

	<b>2019 Budget</b>	<b>Budget Projections</b>			
		<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>CAPITAL EXPENSES</b>					
Land	\$ 3,507,100	\$ -	\$ -	\$ -	\$ -
Buildings	33,213,000	35,544,700	63,679,700	24,310,400	5,386,000
Vehicles/Equipment	9,894,900	6,457,600	3,134,600	2,508,600	4,508,600
Other Projects	5,901,700	3,365,000	870,000	920,000	905,000
Park Improvements	5,124,500	842,000	1,180,000	2,362,000	950,000
Engineering Structures	18,026,100	11,590,000	12,740,000	16,332,000	7,290,000
Water Infrastructure	4,587,200	2,685,000	3,185,000	3,700,000	4,380,000
Sewer Infrastructure	13,693,000	8,917,800	6,750,500	6,225,500	8,015,500
Electrical Distribution System	29,822,900	24,200,000	4,440,000	5,880,000	2,400,000
<b>TOTAL</b>	<b>\$ 123,770,400</b>	<b>\$ 93,602,100</b>	<b>\$ 95,979,800</b>	<b>\$ 62,238,500</b>	<b>\$ 33,835,100</b>
<b>FUNDING SOURCES</b>					
Reserve Funds	\$ 83,552,066	\$ 46,961,400	\$ 33,949,800	\$ 28,931,500	\$ 29,352,000
Development Cost Charges	2,136,222	604,900	1,554,100	304,100	304,100
Long Term Debt	26,630,600	35,287,800	55,922,900	28,294,900	2,038,500
Grants from Other Governments	3,868,712	5,293,000	1,090,500	1,065,500	853,000
Contributions	7,582,800	5,455,000	3,462,500	3,642,500	1,287,500
<b>TOTAL</b>	<b>\$ 123,770,400</b>	<b>\$ 93,602,100</b>	<b>\$ 95,979,800</b>	<b>\$ 62,238,500</b>	<b>\$ 33,835,100</b>

**City of New Westminster - Development Cost Charge Funding Envelope Plan for the 2009 DCC Bylaw 7311**

**NOTES:**

1. This DCC Funding Envelope Plan is based on the capital projects set out in the 2009 Development Cost Charge Review which forms the basis for the City's DCC Bylaw. The City's DCC Bylaw was amended in 2015 to reflect new rates based on an updated capital project plan.

2. City contributions will be from reserves while other contributions are from provincial / federal government grants.

3. The mainland waterfront parkland acquisition / development (\$16M) was initially funded with debt with the intention that the principal on the debt would be repaid over time using Parks DCCs.

	<b>TTL</b>	<b>2009 - 2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024 +</b>
Total DCCs	\$ 87,284,408	\$ 36,428,755	\$ 2,136,222	\$ 604,900	\$ 1,554,100	\$ 304,100	\$ 304,100	\$ 45,952,231
Total City & Other Contributions	34,985,065	8,446,264	1,350,000	569,800	563,200	550,600	550,600	22,954,601
	<b>\$ 122,269,473</b>	<b>\$ 44,875,019</b>	<b>\$ 3,486,222</b>	<b>\$ 1,174,700</b>	<b>\$ 2,117,300</b>	<b>\$ 854,700</b>	<b>\$ 854,700</b>	<b>\$ 68,906,832</b>

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**CONSOLIDATED STATEMENT OF RESERVES AND DEVELOPMENT COST CHARGES**  
**Schedule 'C' to Bylaw No. 8104, 2019**

Note: This Schedule has been provided as an addendum to Schedule A. The reserve figures in this Schedule are included in the consolidated figures in Schedule A. Development Cost Charges are provided for information, but are deferred charges rather than reserves.

<b>FINANCIAL EQUITY (RESERVES)</b>	<b>2019 Budget</b>	<b>Budget Projections</b>			
		<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Revenues:</b>					
Contributions	\$ 7,320,607	\$ 7,413,284	\$ 7,534,170	\$ 7,111,480	\$ 7,125,510
Land Sale Proceeds	1,967,000	-	-	-	-
	<b>9,287,607</b>	<b>7,413,284</b>	<b>7,534,170</b>	<b>7,111,480</b>	<b>7,125,510</b>
<b>Transfers (to) from:</b>					
Operating Budget	31,906,371	33,053,779	32,408,398	33,831,136	36,514,409
Capital Budget	(83,552,066)	(46,961,400)	(33,949,800)	(28,931,500)	(29,352,000)
	<b>(51,645,695)</b>	<b>(13,907,621)</b>	<b>(1,541,402)</b>	<b>4,899,636</b>	<b>7,162,409</b>
<b>Change in Financial Equity (Reserves)</b>	<b>(42,358,088)</b>	<b>(6,494,337)</b>	<b>5,992,768</b>	<b>12,011,116</b>	<b>14,287,919</b>
<b>Financial Equity, Beginning of Year</b>	<b>111,115,519</b>	<b>68,757,431</b>	<b>62,263,094</b>	<b>68,255,862</b>	<b>80,266,978</b>
<b>Financial Equity, End of Year</b>	<b>68,757,431</b>	<b>62,263,094</b>	<b>68,255,862</b>	<b>80,266,978</b>	<b>94,554,897</b>
<b>CHANGE IN RESERVES</b>					
<b>Non-Statutory Reserves</b>	<b>\$ (31,041,144)</b>	<b>\$ (4,141,012)</b>	<b>\$ 6,069,250</b>	<b>\$ 11,894,611</b>	<b>\$ 14,169,953</b>
<b>Statutory Reserves</b>					
Cemetery	35,350	35,350	35,350	35,350	35,350
Construction of Municipal Works	(11,420,635)	(693,407)	(150,888)	41,396	42,141
Parking Cash In Lieu	21,014	21,392	21,778	22,170	22,569
Park Land Acquisition	16,673	16,973	17,278	17,589	17,906
Tax Sale Land	30,654	(1,733,633)	-	-	-
<b>Change in Reserves</b>	<b>\$ (42,358,088)</b>	<b>\$ (6,494,337)</b>	<b>\$ 5,992,768</b>	<b>\$ 12,011,116</b>	<b>\$ 14,287,919</b>
<b>Statutory DCC Reserves</b>					
Drainage DCC	\$ 116,399	\$ 118,495	\$ 120,628	\$ 122,799	\$ 125,010
Parkland DCC	909,082	1,310,246	1,318,132	1,325,659	1,332,621
Sewer DCC	497,003	183,150	453,746	461,914	470,228
Transportation DCC	(987,016)	631,539	(573,593)	666,082	678,072
Water DCC	(25,937)	191,396	194,842	198,348	201,919
<b>Change in DCCs</b>	<b>\$ 509,531</b>	<b>\$ 2,434,826</b>	<b>\$ 1,513,755</b>	<b>\$ 2,774,802</b>	<b>\$ 2,807,850</b>
<b>RESERVE BALANCES</b>					
<b>Non-Statutory Reserves</b>	<b>\$ 60,926,884</b>	<b>\$ 56,785,872</b>	<b>\$ 62,855,122</b>	<b>\$ 74,749,733</b>	<b>\$ 88,919,686</b>
<b>Statutory Reserves</b>					
Cemetery	742,266	777,616	812,966	848,316	883,666
Construction of Municipal Works	3,223,243	2,529,836	2,378,948	2,420,344	2,462,485
Parking Cash In Lieu	1,188,471	1,209,863	1,231,641	1,253,811	1,276,380
Park Land Acquisition	942,934	959,907	977,185	994,774	1,012,680
Tax Sale Land	1,733,633	-	-	-	-
<b>Total Reserves</b>	<b>\$ 68,757,431</b>	<b>\$ 62,263,094</b>	<b>\$ 68,255,862</b>	<b>\$ 80,266,978</b>	<b>\$ 94,554,897</b>
<b>Statutory DCC Reserves</b>					
Drainage DCC	\$ 749,721	\$ 868,216	\$ 988,844	\$ 1,111,643	\$ 1,236,653
Parkland DCC	7,802,540	9,112,786	10,430,918	11,756,577	13,089,198
Sewer DCC	1,441,639	1,624,789	2,078,535	2,540,449	3,010,677
Transportation DCC	(2,020,032)	(1,388,493)	(1,962,086)	(1,296,004)	(617,932)
Water DCC	1,744,236	1,935,632	2,130,474	2,328,822	2,530,741
<b>Total DCC Reserves</b>	<b>\$ 9,718,104</b>	<b>\$ 12,152,930</b>	<b>\$ 13,666,685</b>	<b>\$ 16,441,487</b>	<b>\$ 19,249,337</b>

# LIABILITY SERVICING LIMIT CERTIFICATE

The Corporation of the City of New Westminster (the "Municipality")  
In relation to New Westminster Aquatics and Community Centre Loan Authorization Bylaw

The undersigned Financial Officer assigned responsibility for financial administration under section 149 of the Community Charter, SBC 2003, Chapter 26 (the "Charter") or Auditor appointed for the Municipality under section 169 of the Charter hereby certifies as follows:

Calculation revenue for the previous year (section 4 & 5, BC Reg 254/2004)	<u>\$196,438,952.00</u> a
Liability Servicing Limit (a x 25%) (section 2, BC Reg 254/2004)	<u>\$49,109,738.00</u> b
Annual Servicing cost for previous year	<u>\$7,321,658.00</u> c

Plus: New liabilities incurred, other than current request

Liability Type and reference	Annual servicing cost
<u>additional debt under LA Bylaws</u>	<u>\$5,157,450.00</u> d
<u>additional debt under Queensborough</u>	<u>\$2,181,000.00</u> e
<u>Electrical Substation Loan</u>	<u></u> f
<u>Authorization Bylaw #8041, 2018</u>	<u></u> g
<u>currently under initial review by</u>	<u></u> h
<u>Inspector of Municipalities</u>	<u></u> i
<u></u>	<u></u> j
<u></u>	<u></u> k
<u></u>	<u></u> l
Total of lines d through i	<u>\$7,338,450.00</u> m

Less: Liabilities which have matured

Liability type and reference	Annual servicing cost
<u></u>	<u></u> n
<u></u>	<u></u> o
<u></u>	<u></u> p
<u></u>	<u></u> q
<u></u>	<u></u> r
Total of lines n through r	<u>\$0.00</u> s

Amount of new liability (section 3, BC Reg 254/2004)	<u>\$93,600,000.00</u> t
Annual servicing cost of new liability (section 3, BC Reg 254/2004)	<u>\$6,700,000.00</u> u
Total liability servicing cost including current request (lines c+m-s+u)	<u>\$21,360,108.00</u> v

☒ which is less than the annual liability servicing limit stated on line b.

OR

☐ which exceeds the annual liability servicing limit stated on line b, and the undersigned hereby requests approval of the Inspector of Municipalities under section 174 of the Charter to exceed the limit established under the section.

In accordance with section 179(5) or section 175(1)(b) of the Charter, as applicable, the debt to be contracted under the loan authorization bylaw, or other liability for which certification is being made, referred to above will not exceed the lesser of 30 years and the reasonable life expectancy of the capital asset, activity, work or service, or the remaining term of the applicable agreement, as the case may be, for which the debt is to be contracted.

The undersigned Financial Officer or Auditor also hereby authorizes Legal Counsel of the Municipal Finance Authority of British Columbia to rely on this Certificate in giving any opinion in connection with any borrowing by the Municipal Finance Authority of British Columbia ("MFA") and the issuance of bonds, debentures, and other securities by the MFA in respect of the loan authorization bylaw, or other liability for which certification is being made, referred to above.

DATED this 15<sup>th</sup> day of January, 2019

Colleen Ponzini  
Financial Officer

OR

Auditor

Colleen Ponzini  
(Please print full name)

(Please print full name & company)



Consolidated Financial Statements of the

**CORPORATION OF THE  
CITY OF NEW WESTMINSTER**

Year ended December 31, 2018



KPMG LLP  
PO Box 10426 777 Dunsmuir Street  
Vancouver BC V7Y 1K3  
Canada  
Telephone (604) 691-3000  
Fax (604) 691-3031

## INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Corporation of the City of New Westminster

### ***Opinion***

We have audited the consolidated financial statements of the Corporation of the City of New Westminster (the "City"), which comprise:

- the consolidated statement of financial position as at December 31, 2018
- the consolidated statement of operations for the year then ended
- the consolidated statement of change in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2018, and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***" section of our auditors' report.

We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

### ***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, flowing style. Below the signature is a single, long, horizontal, slightly wavy line that serves as a flourish or underline.

Chartered Professional Accountants

Vancouver, Canada  
April 29, 2019

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
As at December 31, 2018

	2018	2017
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents (Note 2)	\$ 34,459,794	\$ 13,576,002
Accounts Receivable		
Property Taxes	2,491,871	3,007,367
Other	17,866,207	43,752,549
Due from Other Governments	3,440,623	4,044,014
Investments (Note 3)	128,043,002	115,510,936
	<u>186,301,497</u>	<u>179,890,868</u>
<b>LIABILITIES</b>		
Accounts Payable	21,622,426	23,707,260
Due to Other Governments	1,323,686	2,322,588
Prepaid Taxes	8,524,443	7,764,916
Deferred Revenue and Deposits	23,870,047	21,184,392
Deferred Development Cost Charges (Note 4)	9,208,594	8,844,449
Employee Benefit Plans (Note 6)	11,442,620	11,485,184
Long-Term Debt (Note 7)	59,463,427	49,859,899
	<u>135,455,243</u>	<u>125,168,688</u>
<b>NET FINANCIAL ASSETS</b>	50,846,254	54,722,180
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets (Note 8)	673,768,759	647,653,140
Inventory of Supplies	2,245,008	1,805,089
Prepaid Expenses	1,451,678	965,428
	<u>677,465,445</u>	<u>650,423,657</u>
<b>ACCUMULATED SURPLUS (Note 9)</b>	<u>\$ 728,311,699</u>	<u>\$ 705,145,837</u>

Contingencies (Note 13)  
Commitments (Note 16)  
Contractual Rights (Note 17)

The accompanying notes are an integral part of these consolidated financial statements.



Colleen Ponzini, CPA, CGA  
Acting Chief Financial Officer

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**For the Year Ended December 31, 2018**

	2018 Budget (Notes 1(g) and 15)	2018	2017
<b>REVENUE</b>			
Municipal Taxation and Other Levies (Note 11)	\$ 80,093,549	\$ 79,144,993	\$ 75,440,673
Utility Rates	80,222,510	82,701,147	79,566,449
Sale of Services	14,036,048	15,473,302	15,341,350
Grants from Other Governments	5,036,280	5,414,699	6,621,642
Contributed Tangible Capital Assets (Note 8(b))	-	705,463	1,161,421
Contributions	16,915,536	12,309,863	15,578,581
Other Revenue (Note 12)	14,439,530	19,955,508	13,661,662
	<u>210,743,453</u>	<u>215,704,975</u>	<u>207,371,778</u>
<b>EXPENSES</b>			
Police Services	28,677,500	29,201,472	28,091,988
Parks and Recreation	20,250,014	21,457,111	21,699,320
Fire Services	16,349,257	15,639,590	15,380,536
Development Services	4,750,733	5,240,493	4,981,722
Engineering Services	26,084,582	27,714,669	28,754,289
General Government	23,913,562	26,987,361	25,624,009
Library	4,097,005	3,382,223	3,679,777
Utility Operations	59,395,793	62,916,194	60,498,809
	<u>183,518,446</u>	<u>192,539,113</u>	<u>188,710,450</u>
<b>ANNUAL SURPLUS</b>	27,225,007	23,165,862	18,661,328
Accumulated Surplus, beginning of year	705,145,837	705,145,837	686,484,509
<b>ACCUMULATED SURPLUS, end of year</b>	<u>\$ 732,370,844</u>	<u>\$ 728,311,699</u>	<u>\$ 705,145,837</u>

The accompanying notes are an integral part of these consolidated financial statements.

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**For the Year Ended December 31, 2018**

	2018 Budget (Notes 1(g) and 15)	2018	2017
Annual Surplus	\$ 27,225,007	\$ <b>23,165,862</b>	\$ 18,661,328
Acquisition of Tangible Capital Assets	(79,435,510)	<b>(51,316,536)</b>	(35,695,157)
Contribution of Tangible Capital Assets	-	<b>(705,463)</b>	(1,161,421)
Proceeds from Disposal of Tangible Capital Assets	2,938,000	<b>4,830,530</b>	231,333
Amortization of Tangible Capital Assets	22,935,000	<b>21,934,083</b>	21,685,760
Net (Gain) Loss on Disposal of Tangible Capital Assets	-	<b>(858,233)</b>	926,360
Acquisition of Inventory of Supplies	-	<b>(439,919)</b>	(451,275)
(Acquisition) Consumption of Prepaid Expenses	-	<b>(486,250)</b>	379,206
(Decrease) Increase in Net Financial Assets	(26,337,503)	<b>(3,875,926)</b>	4,576,134
Net Financial Assets, beginning of year	54,722,180	<b>54,722,180</b>	50,146,046
Net Financial Assets, end of year	\$ 28,384,677	\$ <b>50,846,254</b>	\$ 54,722,180

The accompanying notes are an integral part of these consolidated financial statements.

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
For the Year Ended December 31, 2018

	2018	2017
<b>CASH PROVIDED (USED) BY:</b>		
<b>OPERATING ACTIVITIES</b>		
Annual Surplus	\$ 23,165,862	\$ 18,661,328
Items not involving cash:		
Amortization	21,934,083	21,685,760
Net (Gain) Loss on Disposal of Tangible Capital Assets	(858,233)	926,360
Contributed Tangible Capital Assets	(705,463)	(1,161,421)
Change in non-cash operating items:		
Decrease (Increase) in Accounts Receivable	26,401,838	(928,310)
Decrease in Due From Other Governments	603,391	7,058,484
Decrease in Accounts Payable	(2,084,834)	(2,748,881)
Decrease in Due to Other Governments	(998,902)	(283,953)
Increase (Decrease) in Prepaid Taxes	759,527	(99,644)
Increase in Deferred Revenue and Deposits	2,685,655	2,693,951
(Decrease) Increase in Employee Benefit Plans	(42,564)	59,765
Increase in Inventory of Supplies	(439,919)	(451,275)
(Increase) Decrease in Prepaid Expenses	(486,250)	379,206
	<u>69,934,191</u>	<u>45,791,370</u>
<b>FINANCING ACTIVITIES</b>		
Development Cost Charge Net Receipts	364,145	2,160,099
Long-Term Debt Repayments	(2,588,472)	(6,121,645)
Proceeds from Issuance of Long-Term Debt	12,192,000	1,325,000
	<u>9,967,673</u>	<u>(2,636,546)</u>
<b>CAPITAL ACTIVITIES</b>		
Proceeds from Disposal of Tangible Capital Assets	4,830,530	231,333
Cash Used to Acquire Tangible Capital Assets	(51,316,536)	(35,695,157)
	<u>(46,486,006)</u>	<u>(35,463,824)</u>
<b>INVESTING ACTIVITIES</b>		
Net Purchase of Investments	(12,532,066)	(4,337,151)
	<u>(12,532,066)</u>	<u>(4,337,151)</u>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>20,883,792</b>	<b>3,353,849</b>
Cash and Cash Equivalents, beginning of year	13,576,002	10,222,153
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<u><b>\$ 34,459,794</b></u>	<u><b>\$ 13,576,002</b></u>

The accompanying notes are an integral part of these consolidated financial statements.



**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2018**

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**1. SIGNIFICANT ACCOUNTING POLICIES**

The Corporation of the City of New Westminster (the “City”) is a local government in the Province of British Columbia. The City prepares its consolidated financial statements in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board (“PSAB”) of the Chartered Professional Accountants of Canada. The accounting policies of the City include the following:

(a) Basis of Presentation

These consolidated financial statements include the accounts of all the funds of the City and the Library and Police Boards. Inter-fund transactions and balances have been eliminated.

(b) Cash and Cash Equivalents

Cash and cash equivalents consist of cash, highly liquid money market investments and short-term investments with maturities of less than 90 days at acquisition.

(c) Investments

Investments in the Municipal Finance Authority of British Columbia (“MFA”) Pooled Investment Funds – Intermediate and Bond Funds are recorded at cost. Cost is comprised of subscriptions net of redemptions plus earnings that are reinvested in the funds.

(d) Employee Future Benefits

The City and its employees make contributions to the Municipal Pension Plan. These contributions are expensed as incurred.

Sick leave and post-employment benefits also accrue to the City's employees. The liabilities related to these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefits plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(e) Deferred Revenue

Deferred revenue represents licenses, permits, other fees and grants which have been collected, but for which the related services have not been performed and / or projects have not been constructed. These amounts will be recognized as revenue in the fiscal year the services are performed and / or the projects are constructed.

(f) Development Cost Charges (DCCs)

Development cost charges are deferred upon receipt and recognized as revenue only to the extent used to finance related authorized capital projects.

(g) Budget

Budget data presented in these consolidated financial statements is based on the City's Five-Year Financial Plan for the years 2018 – 2022, adopted by Council on March 5, 2018.

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2018**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

(h) Government Transfers

Restricted transfers from governments are deferred and recognized as revenue as the related expenditures are incurred or the stipulations in the related agreement are met. Unrestricted transfers are recognized as revenue when received or if the amount to be received can be reasonably assured.

(i) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land, are amortized on a straight line basis over their estimated useful lives as follows:

Major Asset Category	Useful Life
Building	10 - 70 years
Vehicles and Equipment	3 – 50 years
Park Improvements	5 - 80 years
Engineering Structures	15 - 100 years
Electrical Distribution System	5 - 100 years

Annual amortization is charged in the year of acquisition. Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of Tangible Capital Assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Works of Art and Historic Assets

Works of art and historic assets are not recorded as assets in these consolidated financial statements.

(iv) Natural Resources

Horticultural assets such as treed areas, grassy areas and gardens are not recognized as assets in these consolidated financial statements.

(v) Interest Capitalization

The City does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2018**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

(i) Non-Financial Assets (continued)

(vi) Leased Tangible Capital Assets

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(vii) Inventory of Supplies

Inventories of supplies held for consumption are recorded at the lower of weighted average cost and replacement cost.

(viii) Prepaid Expenses

Prepaid expenses are recorded as assets in these consolidated financial statements.

(j) Reserves and Reserve Funds

(i) Reserves Set Aside by Council

Reserves set aside by Council are surpluses from the current operations to finance future capital and maintenance projects. These internally restricted funds are not available for unrestricted purposes without the approval of Council.

(ii) Statutory Reserves

Statutory reserves are funds that have been internally restricted by Council. Formal establishing bylaws have been adopted pursuant to the Community Charter, which define how these reserves are to be used.

(k) Revenue Recognition

Taxation revenue is recorded at the time property tax bills are issued. Restricted contributions are recognized as revenue when the funds have been spent in accordance with the restrictions. Unrestricted contributions are recognized when received and collection is reasonably assured. Utility rates, sale of services and other revenues are recognized when earned.

(l) Use of Estimates

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of employee benefit plans, allowance for doubtful accounts receivable, provision for contingencies, and useful lives of tangible capital assets.

Actual results could differ from management's best estimates as additional information becomes available. Adjustments, if any, will be reflected in the consolidated financial statements in the period that the change in estimate is made, as well as in the period of settlement if the amount is different.

(m) Segment Disclosures

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information.

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2018

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

(n) Liability for contaminated sites

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) An environmental standard exists;
- (ii) Contamination exceeds the environmental standard;
- (iii) The City is directly responsible or accepts responsibility;
- (iv) It is expected that future economic benefits will be given up; and
- (v) A reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

**2. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include \$154,152 (2017 - \$3,142,242) invested in the MFA Pooled Investment Funds – Money Market Fund, which is considered equivalent to cash due to its liquidity.

**3. INVESTMENTS**

	<b>2018 Carrying Value</b>	<b>2017 Carrying Value</b>
MFA - Intermediate Fund, 2018 Fund Yield - 2.79% (2017 - 0.74%)	<b>\$ 39,355,984</b>	\$ 28,962,870
MFA – Bond Fund, 2018 Fund Yield – 2.44% (2017 - 0.00%)	<b>88,687,018</b>	86,548,066
	<b><u>\$ 128,043,002</u></b>	<b><u>\$ 115,510,936</u></b>

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2018**

**4. DEFERRED DEVELOPMENT COST CHARGES**

	Balance, beginning of year	Third Party Contributions	Interest Allocation	Capital Expenses	Balance, end of year
Queensborough Drainage	\$ 1,937,600	\$ 152,120	\$ 21,314	\$ (1,744,289)	\$ 366,745
Queensborough Transportation *	(3,567,823)	807,105	(39,246)	-	(2,799,964)
Queensborough Parkland	779,233	1,378,848	8,572	(306,100)	1,860,553
Queensborough Water	800,496	-	8,805	-	809,301
Queensborough Sanitary	271,786	249,701	2,990	(146,778)	377,699
Mainland Drainage	257,097	6,653	2,828	-	266,578
Mainland Transportation	1,677,442	114,330	18,452	(43,275)	1,766,949
Mainland Parkland	5,244,834	324,677	57,693	(594,300)	5,032,904
Mainland Water	925,573	25,117	10,181	-	960,871
Mainland Sanitary	518,211	43,047	5,700	-	566,958
	<b>\$ 8,844,449</b>	<b>\$ 3,101,598</b>	<b>\$ 97,289</b>	<b>\$ (2,834,742)</b>	<b>\$ 9,208,594</b>

\* Development Cost Charge Expenditure Bylaws authorize borrowing from other DCC Reserves to cover the deficit in the Queensborough Transportation DCC Reserve. The other DCC Reserves will be repaid with interest at the earlier of when the funds are required to complete DCC capital works and sufficient Queensborough Transportation DCCs are collected.

**5. PENSION PLAN**

The City and its employees contribute to the Municipal Pension Plan, a jointly trustee pension plan. The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of the assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2017 the plan has about 197,000 active members and approximately 90,000 retired members. Active members include approximately 39,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as of December 31, 2015 indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

The City paid \$7,218,940 (2017 - \$6,998,983) for employer contributions to the plan in fiscal 2018.

The next valuation will be as at December 31, 2018 with results available in 2019.

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2018

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**5. PENSION PLAN (continued)**

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the plan.

**6. EMPLOYEE BENEFIT PLANS**

The City provides certain post-employment benefits, compensated absences, and termination benefits to its employees. These benefits include accumulated non-vested sick leave and post-employment disability benefits.

	<b>2018</b>	2017
Accrued Benefit Obligation, beginning of year	<b>\$ 12,101,700</b>	\$ 10,855,500
Current service cost	<b>737,400</b>	643,500
Interest cost	<b>282,500</b>	272,000
Long term disability expense	<b>(12,900)</b>	101,400
Benefits paid	<b>(1,099,200)</b>	(892,900)
Actuarial (gain) loss	<b>(287,000)</b>	1,122,200
Accrued Benefit Obligation, end of year	<b>11,722,500</b>	12,101,700
Other employee benefit liabilities	<b>48,120</b>	48,523
Unamortized actuarial loss	<b>(328,000)</b>	(665,039)
Accrued Benefit Liability, end of year	<b><u>\$ 11,442,620</u></b>	<b><u>\$ 11,485,184</u></b>

Actuarial gains and losses are amortized over the expected average remaining service period of the related employee group commencing the year after the gain or loss arises. A full update to the actuarial valuation of the accrued benefit liability was performed to determine the City's accrued benefit obligation as at December 31, 2017 and results were extrapolated to December 31, 2018. Actuarial assumptions used to determine the City's accrued benefit obligation are as follows:

	<b>2018</b>	2017
Discount rate	<b>3.30%</b>	3.00%
Expected future inflation rate	<b>2.50%</b>	3.00%
Expected wage and salary range increases	<b>3.00% - 4.63%</b>	3.00% - 4.63%
Expected average remaining service period	<b>12 years</b>	12 years

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2018**

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**7. LONG-TERM DEBT**

The City receives debt financing through the MFA in accordance with the Community Charter to finance certain capital expenses. Debt is presented net of \$24,125,015 of repayments and actuarial adjustments.

	<b>2018</b>	2017
Police Building, Bylaw 6603, 2.00%, due 2024	<b>\$ 3,142,273</b>	\$ 3,586,559
Moody Park Pool, Bylaw 7209, 2.90%, due 2028	<b>2,380,009</b>	2,572,058
Moody Park Pool, Bylaw 7209, 4.50%, due 2030	<b>293,052</b>	312,610
Westminster Pier Park Development Bylaw 7377, 3.65%, due 2026	<b>3,777,132</b>	4,177,580
Westminster Pier Park Development Bylaw 7377, 2.00% due 2032	<b>1,399,300</b>	1,499,250
Civic Facilities, Road Maintenance and Park Development Loan Authorization Bylaw 7528, 2.60%, due 2036	<b>11,578,422</b>	12,047,136
New Westminster Substation Loan Authorization Bylaw 7604, 2.20% due 2035	<b>22,006,239</b>	22,969,706
New Westminster Civic Infrastructure Loan Authorization Bylaw 7842, MFA variable rate, due 2021	<b>14,887,000</b>	2,695,000
	<b><u>\$ 59,463,427</u></b>	<b><u>\$ 49,859,899</u></b>

Estimated repayments on long-term debt for the next five years and thereafter are as follows:

2019	2,683,454
2020	2,783,493
2021	17,773,098
2022	2,993,187
2023	3,103,566
Thereafter	<u>30,126,629</u>
	<b><u>\$ 59,463,427</u></b>

8. TANGIBLE CAPITAL ASSETS

	Assets Under Construction		Land	Building	Vehicles / Equipment	Park Improvements	Engineering Structures			Electrical Distribution System	2018 Total	2017 Total										
							Engineering Structures	Water	Sewer													
COST																						
Balance, beginning of year	\$	14,575,173	\$	200,411,784	\$	160,297,083	\$	38,389,243	\$	75,889,754	\$	219,477,175	\$	52,043,281	\$	93,234,973	\$	83,285,503	\$	937,603,969	\$	909,518,343
Transfers		(12,651,993)		344,447		759,519		548,661		436,150		1,388,207		2,537,926		6,637,083		-		-		-
Additions		19,749,617		5,343,907		934,148		3,228,917		1,728,704		4,106,349		3,583,429		8,565,458		4,781,470		52,021,999		36,856,578
Disposals		-		(2,358,964)		(1,429,265)		(2,711,390)		(2,562,767)		(2,980,143)		(17,445)		(1,229,957)		(411,441)		(13,701,372)		(8,770,952)
Balance, end of year		21,672,797		203,741,174		160,561,485		39,455,431		75,491,841		221,991,588		58,147,191		107,207,557		87,655,532		975,924,596		937,603,969
ACCUMULATED AMORTIZATION																						
Balance, beginning of year	\$	-	\$	-	\$	67,203,783	\$	20,338,784	\$	36,295,132	\$	107,626,584	\$	11,742,985	\$	24,435,864	\$	22,307,697	\$	289,950,829	\$	275,878,328
Amortization		-		-		4,849,741		3,427,893		2,224,583		6,962,412		783,398		1,608,600		2,077,456		21,934,083		21,685,760
Disposals		-		-		(1,074,957)		(2,565,400)		(2,562,766)		(2,222,127)		(17,445)		(1,020,089)		(266,291)		(9,729,075)		(7,613,259)
Balance, end of year		-		-		70,978,567		21,201,277		35,956,949		112,366,869		12,508,938		25,024,375		24,118,862		302,155,837		289,950,829
NET BOOK VALUE																						
As at December 31, 2018	\$	21,672,797	\$	203,741,174	\$	89,582,918	\$	18,254,154	\$	39,534,892	\$	109,624,719	\$	45,638,253	\$	82,183,182	\$	63,536,670		673,768,759		
NET BOOK VALUE																						
As at December 31, 2017	\$	14,575,173	\$	200,411,784	\$	93,093,300	\$	18,050,459	\$	39,594,622	\$	111,850,591	\$	40,300,296	\$	68,799,109	\$	60,977,806			\$	647,653,140



**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2018**

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**8. TANGIBLE CAPITAL ASSETS (continued)**

(a) Assets under construction

Assets under construction having a value of \$21,672,797 (2017 – \$14,575,173) have not been amortized. Amortization of these assets will commence when the asset is put into service.

(b) Contributed tangible capital assets

Contributed capital assets have been recognized at fair market value at the date of contribution. Included in the additions to tangible capital assets is \$705,463 of contributed assets received during the year (2017 – \$1,161,421).

(c) Works of art and historic assets

The City manages and controls various works of art and non-operational historic assets including buildings, artifacts, painting and sculptures located at City sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

(d) Write-down of tangible capital assets

The write-down of tangible capital assets during the year was \$nil (2017 - \$nil).

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2018

**9. ACCUMULATED SURPLUS**

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2018	2017
<b>Surplus:</b>		
Invested in Tangible Capital Assets (a)	\$ 617,053,630	\$ 600,541,533
Invested in Inventory of Supplies	2,245,008	1,805,089
Invested in Prepaid Expenses	1,451,678	965,428
<b>Reserves:</b>		
<b>Reserves set aside by Council:</b>		
Affordable Housing	1,733,513	1,587,214
Childcare Amenity	1,665	1,647
Community Amenity	3,146,235	3,165,061
Community Development	8,276,768	8,232,789
Community Endowment	5,027,885	5,097,386
Computer Replacement	1,031,610	965,364
Environment/Childcare Grants	200,000	200,000
Equipment Replacement	9,154,618	8,636,971
Facility Maintenance	7,249,727	8,239,014
Facility Replacement	11,749,898	9,164,531
General Amenity	339,754	336,057
General Fund Provisions	5,196,022	3,256,946
Offstreet Parking Provisions	1,830,208	2,053,362
Public Art	499,551	389,238
Electrical Fund Provisions	23,297,352	19,884,570
Water Fund Provisions	2,770,100	4,983,329
Sewer Fund Provisions	8,653,115	11,030,525
Solid Waste Fund Provisions	(1,756,070)	(1,125,191)
<b>Statutory Reserves:</b>		
Cemetery Reserve	706,916	675,106
Construction of Municipal Works	14,655,819	11,353,738
Parking Cash in Lieu	1,167,457	1,154,755
Park Land Acquisition	926,261	866,925
Tax Sale Land	1,702,979	1,684,450
<b>Total Reserves</b>	<b>107,561,383</b>	<b>101,833,787</b>
<b>Total Accumulated Surplus</b>	<b>\$ 728,311,699</b>	<b>\$ 705,145,837</b>

- (a) Invested in tangible capital assets is comprised of tangible capital assets of \$673,768,759 (2017 - \$647,653,140) less net proceeds from debt spent on tangible capital assets of \$56,715,129 (2017 - \$47,111,607).

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2018

**10. TRUST FUNDS**

The Election Surplus, Amateur Sports Promotion and Irving House Bequeaths are not reported in these consolidated financial statements. The following is a summary of Trust Fund transactions for the year:

	<u>2018</u>	<u>2017</u>
Balances, beginning of year	\$ 370,917	\$ 357,107
Contributions received	3,162	-
Interest earned	4,081	7,142
	<u>378,160</u>	<u>364,249</u>
Expenses and Transfers (Net)	(1,320)	6,668
Balances, end of year	<u>\$ 376,840</u>	<u>\$ 370,917</u>

**11. MUNICIPAL TAXATION AND OTHER LEVIES**

Taxation revenue for general municipal purposes comprises of the following amounts:

	<u>2018</u>	<u>%</u>	<u>2017</u>	<u>%</u>
Gross Taxation and Levies	<u>\$123,855,656</u>	<u>100.00</u>	\$118,131,865	100.00
Less: Collections on Behalf of Other Governments				
Regional District	1,208,543	0.98	1,043,375	0.88
BC Assessment Authority	1,141,408	0.92	1,076,660	0.91
Municipal Finance Authority	5,240	< 0.01	4,546	< 0.01
Province - School	35,252,704	28.46	33,906,913	28.70
South Coast British Columbia Transportation Authority	6,722,380	5.43	6,342,098	5.37
Business Improvement Levies	380,388	0.31	317,600	0.27
	<u>44,710,663</u>	<u>36.10</u>	<u>42,691,192</u>	<u>36.14</u>
Municipal Taxation and Levies	<u>\$ 79,144,993</u>	<u>63.90</u>	<u>\$ 75,440,673</u>	<u>63.86</u>

**12. OTHER REVENUE**

Other Revenue includes:

	<u>2018</u>	<u>2017</u>
Licences, Permits and Fines	\$ 7,224,346	\$ 7,261,815
Interest and Penalties	4,744,915	3,629,656
Loss on Investments	-	(2,330,578)
Gain on Disposals of Tangible Capital Assets	2,747,769	30,281
Other	5,238,478	5,070,488
Total Other Revenue	<u>\$ 19,955,508</u>	<u>\$ 13,661,662</u>

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2018**

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**13. CONTINGENCIES**

- (a) The loan agreements with the Metro Vancouver Regional District and the MFA provide that, if at any time the scheduled payments provided for in the agreements are not sufficient to meet the authorities' obligations in respect of such borrowing, the resulting deficiency becomes a joint and several liability of the City and the other participants.
- (b) The City obtains long-term debt instruments through the MFA. The City is also required to execute demand notes in connection with each debenture whereby the City may be required to loan certain amounts to the MFA. The demand notes are contingent in nature and are not reflected in the accounts. Details of the contingent demand notes at December 31, 2018 are as follows:

	<u>2018</u>	<u>2017</u>
Police Building, Bylaw 6603	\$ 233,776	\$ 233,776
Moody Park Pool, Bylaw 7209	142,759	142,759
Westminster Pier Park, Bylaw 7377	253,681	253,681
New Westminster Substation, Bylaw 7604	463,277	463,277
Civic Facilities, Road Maintenance and Park Development, Bylaw 7528	258,507	258,507
	<u>\$ 1,352,000</u>	<u>\$ 1,352,000</u>

- (c) A number of legal claims have been initiated against the City in varying or unspecified amounts. The outcome of these claims cannot reasonably be determined at this time. The amount of loss, if any, arising from these claims will be recorded in the period in which the loss is determined.
- (d) The City is a shareholder of Emergency Communications for the Southwest British Columbia Incorporated (E-Comm) whose services include: regional 9-1-1 call centre for the Metro Vancouver Regional District; Wide Area Radio network; dispatch operations; and records management. The City has one Class A share and one Class B share and the Police Board has one Class A share. There are 32 Class A shares and 21 Class B shares issued and outstanding as at December 31, 2018. As a Class A shareholder, the City shares in both funding the future operations and capital obligations of E-Comm (in accordance with a cost sharing formula), including any lease obligations committed to by E-Comm up to the shareholder's withdrawal date.
- (e) The City, as a member of the Metro Vancouver Regional District, the Greater Vancouver Sewerage and Drainage District and the Greater Vancouver Water District is jointly and severally liable for the net capital liabilities of these Districts. Any liability which may arise as a result of the above noted contingency will be accounted for in the period in which the required payment is made.
- (f) In January 2012, the City entered into an operating agreement with BC Hydro for the New Westminster Substation. Under the terms of the agreement, the City would have to reimburse BC Hydro for its transmission system reinforcement costs incurred to provide additional electricity supply to the New Westminster Substation should the City terminate the agreement prior to BC Hydro recovering these costs through future electricity sales.

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2018**

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**14. SEGMENTED INFORMATION**

The City is a diversified municipal government institution that provides a wide range of services to its citizens, including Police Services, Parks and Recreation Services, Cultural Services, Fire and Rescue Services, Development Services, Engineering Services, General Government Services, Library, and Utility Operations which includes Water Supply Services, Electrical Distribution Services, Sewer and Drainage Services, and Solid Waste Services. For management reporting purposes, the City's operations and activities are organized and reported by Service Areas. Service Areas were created for the purpose of recording specific activities to attain certain objectives in accordance with regulations, restrictions and limitations.

City Services are provided by departments and their activities are reported in these Service Areas. Departments disclosed in the segmented information, along with the services they provide, are as follows:

***General Government Services – Legislative Services, Administration, Cultural Services, Communications, Finance, Information Technology, Human Resources, Legal Services, Economic Development, Grants in Aid, City Functions, and Strategic Priorities***

The Departments and Divisions within General Government Services are responsible for adopting bylaws; adopting administrative policy; levying and collecting taxes and utilities; acquiring, disposing and managing City assets; developing and maintaining information technology systems and applications; ensuring effective financial management and communication; administering City grants; managing the Anvil Centre and cultural services; developing an effective labour force; administering collective agreements and payroll; economic development; monitoring and reporting performance; and ensuring that high quality City service standards are met.

***Police Services***

The mandate of Police Services is to keep the community safe by enforcing the law, and by preventing and reducing crime.

***Parks and Recreation Services***

Parks and Recreation is responsible for providing, facilitating the development of, and maintaining high quality parks, and recreation facilities and programs.

***Library Services***

The New Westminster Public Library is responsible for providing library resources and services to the community.

***Fire and Rescue Services***

The mandate of the Fire and Rescue Services is to protect life, property and the environment through the provision of emergency response and planning, inspections, code enforcement and public education, ensuring safety for the public.

**CORPORATION OF THE CITY OF NEW WESTMINSTER  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
For the Year Ended December 31, 2018**

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**14. SEGMENTED INFORMATION (continued)**

***Development Services***

Development Services is responsible for preparing land use plans, bylaws and policies for sustainable development of the City, for reviewing and approving new development and building permits and inspections.

***Engineering Services – Engineering Operations and Administration, Cemetery, Parking and Towing Services, Animal Services, Vehicle Fleet Services, Works Yards***

Engineering Services is responsible for planning, building, operating and maintaining the City's physical infrastructure including roads and sidewalks, civic buildings and facilities. In addition, the divisions provide services for parking, towing, cemetery operations, animal control and fleet services.

***Utility Operations - Water Supply Services, Electrical Distribution Services, Sewer and Drainage Services, and Solid Waste Services***

The Water Utility operates and distributes over 8 million cubic meters of drinking water, and maintains water mains and pump stations. The Electrical Distribution Utility is responsible for the distribution of electricity to the City's citizens and businesses and the City's fibre network system. The Sewer and Drainage Utility is responsible for the disposal of sanitary sewage and drainage, as well as the network of sewer mains, storm sewers and pump stations. The Solid Waste Utility is responsible for garbage collection, green waste collection and recycling.

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2018

**14. SEGMENTED INFORMATION (continued)**

**SEGMENTED REVENUES AND EXPENSES**

	General Government	Police Services	Parks and Recreation	Library	Fire Services	Development Services	Engineering Services	Utility Operations	2018	2017	2018 Budget
<b>REVENUE</b>											
Municipal Taxation and Other Levies	\$ 79,144,993	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	<b>\$ 79,144,993</b>	\$ 75,440,673	\$ 80,093,549
Utility Rates	-	-	-	-	-	-	-	82,701,147	<b>82,701,147</b>	79,566,449	80,222,510
Sale of Services	287,895	4,240,937	5,143,913	66,004	196,345	61,759	3,902,426	1,574,023	<b>15,473,302</b>	15,341,350	14,036,048
Grants from Other Governments	59,037	1,155,126	3,300	147,371	-	1,752	1,724,841	2,323,272	<b>5,414,699</b>	6,621,642	5,036,280
Contributed Tangible Capital Assets	-	-	-	-	-	-	416,985	288,478	<b>705,463</b>	1,161,421	-
Contributions	8,070,783	-	238,602	-	-	-	772,890	3,227,588	<b>12,309,863</b>	15,578,581	16,915,536
Other Revenue	11,002,148	31,789	627,314	974	39,615	4,934,402	2,356,135	963,131	<b>19,955,508</b>	13,661,662	14,439,530
Total Revenue	<b>\$ 98,564,856</b>	<b>\$ 5,427,852</b>	<b>\$ 6,013,129</b>	<b>\$ 214,349</b>	<b>\$ 235,960</b>	<b>\$ 4,997,913</b>	<b>\$ 9,173,277</b>	<b>\$ 91,077,639</b>	<b>\$215,704,975</b>	<b>\$207,371,778</b>	<b>\$ 210,743,453</b>
<b>EXPENSES</b>											
Salaries, Benefits and Training	\$ 13,680,867	\$ 23,353,105	\$ 13,565,843	\$ 2,587,368	\$ 13,965,548	\$ 3,976,143	\$ 12,160,338	\$ 4,766,941	<b>\$ 88,056,153</b>	\$ 85,144,362	\$ 88,643,187
Contracted Services	2,878,173	3,486,034	2,119,030	68,052	789,269	1,115,716	3,482,803	4,229,631	<b>18,168,708</b>	20,627,243	11,668,378
Supplies and Materials	2,468,993	1,135,534	1,861,033	346,592	227,143	148,634	3,107,526	1,161,692	<b>10,457,147</b>	10,631,900	10,075,116
Interest and Bank Charges	903,798	-	-	-	-	-	-	607,532	<b>1,511,330</b>	722,857	1,482,642
Cost of Sales	1,303,870	-	322,687	-	-	-	-	119	<b>1,626,676</b>	1,570,942	1,143,850
Grants	775,716	28,432	-	-	-	-	-	-	<b>804,148</b>	829,797	993,100
Insurance and Claims	1,026,771	-	-	-	-	-	402,493	-	<b>1,429,264</b>	1,193,921	1,365,814
Utility Purchases and Levies	-	-	-	-	-	-	-	46,662,068	<b>46,662,068</b>	45,347,026	45,211,359
Amortization	3,588,845	842,402	3,588,518	380,211	657,630	-	7,787,515	5,088,962	<b>21,934,083</b>	21,685,761	22,935,000
Loss on Disposals	360,328	355,965	-	-	-	-	773,994	399,249	<b>1,889,536</b>	956,641	-
Total Expenses	<b>\$ 26,987,361</b>	<b>\$ 29,201,472</b>	<b>\$ 21,457,111</b>	<b>\$ 3,382,223</b>	<b>\$ 15,639,590</b>	<b>\$ 5,240,493</b>	<b>\$ 27,714,669</b>	<b>\$ 62,916,194</b>	<b>\$192,539,113</b>	<b>\$188,710,450</b>	<b>\$ 183,518,446</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ 71,577,495</b>	<b>\$ (23,773,620)</b>	<b>\$ (15,443,982)</b>	<b>\$ (3,167,874)</b>	<b>\$ (15,403,630)</b>	<b>\$ (242,580)</b>	<b>\$ (18,541,392)</b>	<b>\$ 28,161,445</b>	<b>\$ 23,165,862</b>	<b>\$ 18,661,328</b>	<b>\$ 27,225,007</b>

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2018**

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**15. BUDGET DATA**

The reconciliation of the approved budget to the budget figures reported in these consolidated financial statements is as follows:

Total Approved Revenue:	\$ 213,681,453
Less:	
Proceeds from Disposals (Included in Other Revenue)	<u>2,938,000</u>
Total Reported Revenue	210,743,453
 Total Approved Expenses	 183,518,446
 Annual Surplus	 <u><u>\$ 27,225,007</u></u>

**16. COMMITMENTS**

In January 2012, the City entered into an operating agreement with BC Hydro for the New Westminster Substation. The agreement commits the City to reimburse BC Hydro for all costs relating to operating, maintaining and upgrading the substation. The initial term of the agreement was effective until March 31, 2015 with subsequent five-year renewal periods until such time as either party serves written notice of termination at least one year prior to the end of the current five-year term. The term of the agreement was automatically extended for a further five-year period, until March 31, 2020.

**17. CONTRACTUAL RIGHTS**

The City has various contracts with organizations that are expected to result in the following revenues over the next five years that are either to provide services to or acquire capital assets for the community, or are for the use of City assets through property, fibre optic and advertising space agreements.

2019	\$ 9,122,590
2020	\$ 5,534,876
2021	\$ 1,289,935
2022	\$ 3,270,642
2023	\$ 1,339,119

Certain contractual rights are not included in the above schedule as the amounts received vary from period to period and cannot be estimated.

**18. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform to the presentation adopted for the current year.



**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**STATEMENTS OF FINANCIAL POSITION - BY FUND**  
**As at December 31, 2018**

**SUPPLEMENTAL SCHEDULE I (UNAUDITED)**

	General Fund	Electrical Utility Fund	Water Utility Fund	Sewer Utility Fund	Solid Waste Utility Fund	2018	2017
<b>FINANCIAL ASSETS</b>							
Cash and Cash Equivalents	\$ 34,459,794	\$ -	\$ -	\$ -	\$ -	\$ 34,459,794	\$ 13,576,002
Accounts Receivable							
Property Taxes	2,491,871	-	-	-	-	2,491,871	3,007,367
Other	7,067,686	8,836,862	882,690	985,944	93,025	17,866,207	43,752,549
Due from Other Governments	3,440,623	-	-	-	-	3,440,623	4,044,014
Investments	128,043,002	-	-	-	-	128,043,002	115,510,936
	175,502,976	8,836,862	882,690	985,944	93,025	186,301,497	179,890,868
<b>LIABILITIES</b>							
Accounts Payable	21,496,863	125,563	-	-	-	21,622,426	23,707,260
Due to Other Governments	1,323,686	-	-	-	-	1,323,686	2,322,588
Prepaid Taxes	8,524,443	-	-	-	-	8,524,443	7,764,916
Deferred Revenue and Deposits	23,674,575	195,472	-	-	-	23,870,047	21,184,392
Deferred Development Cost Charges	6,493,762	-	1,770,174	944,658	-	9,208,594	8,844,449
Employee Benefit Plans	11,442,620	-	-	-	-	11,442,620	11,485,184
Long-Term Debt	27,020,167	32,443,260	-	-	-	59,463,427	49,859,899
Due to/(from) Other Funds	30,851,541	(17,609,674)	(5,279,492)	(9,389,205)	1,426,830	-	-
	130,827,657	15,154,621	(3,509,318)	(8,444,547)	1,426,830	135,455,243	125,168,688
<b>NET FINANCIAL ASSETS</b>	44,675,319	(6,317,759)	4,392,008	9,430,491	(1,333,805)	50,846,254	54,722,180
<b>NON-FINANCIAL ASSETS</b>							
Tangible Capital Assets	470,576,899	70,079,197	46,183,550	85,252,196	1,676,917	673,768,759	647,653,140
Inventory of Supplies	332,046	1,759,696	122,142	31,124	-	2,245,008	1,805,089
Prepaid Expenses	1,451,678	-	-	-	-	1,451,678	965,428
	472,360,623	71,838,893	46,305,692	85,283,320	1,676,917	677,465,445	650,423,657
<b>ACCUMULATED SURPLUS</b>	\$ 517,035,942	\$ 65,521,134	\$ 50,697,700	\$ 94,713,811	\$ 343,112	\$ 728,311,699	\$ 705,145,837

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**STATEMENTS OF OPERATIONS - BY FUND**  
**For the Year Ended December 31, 2018**

**SUPPLEMENTAL SCHEDULE II (UNAUDITED)**

	General Fund	Electrical Utility Fund	Water Utility Fund	Sewer Utility Fund	Solid Waste Utility Fund	2018	2017	2018 Budget
<b>REVENUE</b>								
Municipal Taxation and Other Levies	\$ 79,144,993	\$ -	\$ -	\$ -	\$ -	\$ 79,144,993	\$ 75,440,673	\$ 80,093,549
Utility Rates	-	48,254,102	12,374,183	19,453,710	2,619,152	82,701,147	79,566,449	80,222,510
Sale of Services	13,899,280	153,258	709,597	711,167	-	15,473,302	15,341,350	14,036,048
Grants from Other Governments	3,091,426	-	-	2,323,273	-	5,414,699	6,621,642	5,036,280
Contributed Tangible Capital Assets	416,985	-	15,410	273,068	-	705,463	1,161,421	-
Contributions	9,082,274	1,215,771	16,949	1,994,869	-	12,309,863	15,578,581	16,915,536
Other Revenue	18,992,376	103,021	-	19,095	841,016	19,955,508	13,661,662	14,439,530
	124,627,334	49,726,152	13,116,139	24,775,182	3,460,168	215,704,975	207,371,778	210,743,453
<b>EXPENSES</b>								
Police Services	29,201,472	-	-	-	-	29,201,472	28,091,988	28,677,500
Parks and Recreation	21,457,111	-	-	-	-	21,457,111	21,699,320	20,250,014
Fire Services	15,639,590	-	-	-	-	15,639,590	15,380,536	16,349,257
Development Services	5,240,493	-	-	-	-	5,240,493	4,981,722	4,750,733
Engineering Services	27,714,669	-	-	-	-	27,714,669	28,754,289	26,084,582
General Government	26,987,361	-	-	-	-	26,987,361	25,624,009	23,913,562
Library	3,382,223	-	-	-	-	3,382,223	3,679,777	4,097,005
Utility Operations	-	39,224,628	8,173,082	12,284,535	3,233,949	62,916,194	60,498,809	59,395,793
	129,622,919	39,224,628	8,173,082	12,284,535	3,233,949	192,539,113	188,710,450	183,518,446
<b>ANNUAL SURPLUS</b>	(4,995,585)	10,501,524	4,943,057	12,490,647	226,219	23,165,862	18,661,328	27,225,007
Interfund Transfers:								
From Electrical Fund to Current Fund	2,500,000	(2,500,000)	-	-	-	-	-	-
From Electrical Fund to Provision for Future Exp.	3,500,000	(3,500,000)	-	-	-	-	-	-
From Water/Sewer Funds to Provision for Future Exp.	7,726,157	-	(3,035,207)	(4,690,950)	-	-	-	-
Other Transfers	2,673,940	202,288	(899,112)	(1,057,580)	(919,536)	-	-	-
<b>INCREASE (DECREASE) IN SURPLUS</b>	11,404,512	4,703,812	1,008,738	6,742,117	(693,317)	23,165,862	18,661,328	27,225,007
Accumulated Surplus, beginning of year	505,631,430	60,817,322	49,688,962	87,971,694	1,036,429	705,145,837	686,484,509	705,145,837
<b>ACCUMULATED SURPLUS, end of year</b>	\$ 517,035,942	\$ 65,521,134	\$ 50,697,700	\$ 94,713,811	\$ 343,112	\$ 728,311,699	\$ 705,145,837	\$ 732,370,844

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**CONSOLIDATED STATEMENT OF RESERVES**  
For the Year Ended December 31, 2018

**SUPPLEMENTAL SCHEDULE III (UNAUDITED)**

	Balances, Beginning of Year	Transfer from (to) Operating and Trust Funds	Third Party Contributions (Disbursements)	Interest Allocation	Proceeds from Disposal	Transfers For Capital Expenses	Balances, End of Year
<b>RESERVES SET ASIDE BY COUNCIL</b>							
Affordable Housing	\$ 1,587,214	\$ 128,840	\$ -	\$ 17,459	\$ -	\$ -	\$ 1,733,513
Childcare Amenity	1,647	-	-	18	-	-	1,665
Community Amenity	3,165,061	(53,642)	-	34,816	-	-	3,146,235
Community Development	8,232,789	(3,202,332)	6,778,533	90,561	-	(3,622,783)	8,276,768
Community Endowment	5,097,386	(90,572)	(35,000)	56,071	-	-	5,027,885
Computer Replacement	965,364	309,528	-	10,619	-	(253,901)	1,031,610
Environment/Childcare Grants	200,000	(2,200)	-	2,200	-	-	200,000
Equipment Replacement	8,636,971	1,997,146	-	95,007	100,835	(1,675,341)	9,154,618
Facility Maintenance	8,239,014	1,865,388	-	90,629	-	(2,945,304)	7,249,727
Facility Replacement	9,164,531	3,170,865	-	100,810	-	(686,308)	11,749,898
General Amenity	336,057	-	-	3,697	-	-	339,754
General Fund Provisions	3,256,946	10,969,067	-	3,609	-	(9,033,600)	5,196,022
Offstreet Parking Provisions	2,053,362	(25,051)	-	-	-	(198,103)	1,830,208
Public Art	389,238	230,000	-	4,282	-	(123,969)	499,551
Electrical Fund Provisions	19,884,570	3,412,782	-	-	-	-	23,297,352
Water Fund Provisions	4,983,329	(2,213,229)	-	-	-	-	2,770,100
Sewer Fund Provisions	11,030,525	(2,377,410)	-	-	-	-	8,653,115
Solid Waste Fund Provisions	(1,125,191)	(630,879)	-	-	-	-	(1,756,070)
	<u>86,098,813</u>	<u>13,488,301</u>	<u>6,743,533</u>	<u>509,778</u>	<u>100,835</u>	<u>(18,539,309)</u>	<u>88,401,951</u>
<b>STATUTORY RESERVES</b>							
Cemetery Reserve	675,106	31,810	-	-	-	-	706,916
Construction of Municipal Works	11,353,738	241,132	-	124,889	4,729,695	(1,793,635)	14,655,819
Parking Cash in Lieu	1,154,755	-	-	12,702	-	-	1,167,457
Park Land Acquisition	866,925	49,800	-	9,536	-	-	926,261
Tax Sale Land	1,684,450	-	-	18,529	-	-	1,702,979
	<u>15,734,974</u>	<u>322,742</u>	<u>-</u>	<u>165,656</u>	<u>4,729,695</u>	<u>(1,793,635)</u>	<u>19,159,432</u>
<b>TOTAL RESERVES</b>	<b>\$ 101,833,787</b>	<b>\$ 13,811,043</b>	<b>\$ 6,743,533</b>	<b>\$ 675,434</b>	<b>\$ 4,830,530</b>	<b>\$ (20,332,944)</b>	<b>\$ 107,561,383</b>
2018 Budget	<u>\$ 101,728,347</u>	<u>\$ 26,820,295</u>	<u>\$ 7,427,482</u>	<u>\$ 800,872</u>	<u>\$ 2,938,000</u>	<u>\$ (79,435,510)</u>	<u>\$ 60,279,486</u>

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To: Performance and Audit Committee

From: Dean Rear, Director – Financial Planning and Operations, Financial Services

Date: June 25, 2019 Meeting Date: July 4, 2019

Subject: **City of Port Coquitlam – Metro Vancouver Regional District Security Issuing Bylaw No. 1289, 2019**

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**RECOMMENDATION**

That the MVRD Board:

- a) pursuant to Sections 182(1)(b) and 182(2)(a) of the Community Charter, give consent to the request for financing from the City of Port Coquitlam in the amount of \$52,000,000;
  - b) give first, second and third reading to *Metro Vancouver Regional District Security Issuing Bylaw No. 1289, 2019* being a bylaw to authorize the entering into an Agreement respecting financing between the Metro Vancouver Regional District and the Municipal Finance Authority of British Columbia;
  - c) pass and finally adopt *Metro Vancouver Regional District Security Issuing Bylaw No. 1289, 2019*; and
  - d) forward *Metro Vancouver Regional District Security Issuing Bylaw No. 1289, 2019* to the Inspector of Municipalities for Certificate of Approval.
- 

**PURPOSE**

To consider the adoption of a Security Issuing Bylaw to authorize a borrowing request from the City of Port Coquitlam in the amount of \$52,000,000 for the Fall 2019 MFA long term debt issue.

**BACKGROUND**

This report is being brought forward to introduce *Metro Vancouver Security Issuing Bylaw No. 1289, 2019* and consider its adoption to authorize a borrowing request from the City of Port Coquitlam in the amount of \$52,000,000 for Construction of the Port Coquitlam Community Recreation Complex for inclusion in the Fall 2018 MFA long term debt issue.

**MUNICIPAL BORROWING REQUEST****Request Details**

Under provincial legislation, municipal borrowing requests must be approved by their respective council by way of Loan Authorization Bylaw and Security Issuing Resolution. Such borrowings must then be approved by the MVRD Board and included in a MVRD Security Issuing Bylaw to move forward. Upon approval, the request is then considered by the MFA.

All debt of the MVRD is a joint and several liability of its member municipalities.

The City of Port Coquitlam Council adopted Loan Authorization Bylaw 4004 on July 11, 2017 in the amount of \$52,000,000 for Construction of the Port Coquitlam Community Recreation Complex. The

City subsequently passed the required Security Issuing Resolution on June 26, 2019 for the full amount authorized by the Bylaw.

The pertinent details of the bylaw are summarized as follows:

<b>MVRD Bylaw</b>	<b>Member</b>	<b>Member Bylaw</b>	<b>Purpose</b>	<b>Borrowing Request</b>	<b>Term</b>
<b>1289, 2019</b>	City of Port Coquitlam	4004	Construction of the Port Coquitlam Community Recreation Complex	\$52,000,000	30 years

The loan authorization bylaw outlined above, has been reviewed by the Inspector of Municipalities and has received the necessary Certificate of Approval. The certificate is attached to this report.

### **Financial Analysis**

Per the Liability Servicing Limit Certificate dated June, 25, 2019 the City of Port Coquitlam had a liability servicing limit of approximately \$26,585,000. This limit represents the maximum amount, as prescribed by the Province, that the City can annually pay for servicing debt. The estimated annual debt servicing costs proposed in this bylaw will be approximately \$3,043,000. When combined with existing debt servicing costs and expected future additional debt servicing the total will be approximately \$4,521,000 which is roughly 17.0% of the City's liability servicing limit.

Additional information provided by the City of Port Coquitlam to assist in considering this request includes:

- a copy of their security issuing resolution
- the adopted Loan Authorization Bylaw along with Statutory and Certificate of Approval
- the 2019 – 2023 Financial Plan Bylaw which includes the appropriate anticipated debt servicing costs
- Liability Servicing Limit Certificate dated June 25, 2019
- 2018 Consolidated Financial Statements which includes a note summarizing outstanding debt (Note 11) and accumulated surplus and reserve balances (Note 13 and 14 respectively)

All of which are attached to this report.

### **ALTERNATIVES**

1. That the MVRD Board:

- a) pursuant to Sections 182(1)(b) and 182(2)(a) of the Community Charter, give consent to the request for financing from the City of Port Coquitlam in the amount of \$52,000,000;
- b) give first, second and third reading to *Metro Vancouver Regional District Security Issuing Bylaw No. 1289, 2019* being a bylaw to authorize the entering into an Agreement respecting financing between the Metro Vancouver Regional District and the Municipal Finance Authority of British Columbia;
- c) pass and finally adopt *Metro Vancouver Regional District Security Issuing Bylaw No.1289, 2019*; and
- d) forward *Metro Vancouver Regional District Security Issuing Bylaw No.1289, 2019* to the Inspector of Municipalities for Certificate of Approval.

2. That the MVRD Board receive for information the report dated June 6, 2019, titled “City of Port Coquitlam – *Metro Vancouver Regional District Security Issuing Bylaw No.1289, 2019*”.

### **FINANCIAL IMPLICATIONS**

Although all member debt is a joint and several liability of all member municipalities, there are no direct financial implications for Metro Vancouver with adoption of the bylaw.

If the Board approves Alternative 1, the City of Port Coquitlam will proceed to borrow \$52,000,000 to fund Construction of the Port Coquitlam Community Recreation Complex from the Municipal Finance Authority of BC.

Under Alternative 2, the City of Port Coquitlam would be unable to borrow funds as required for the purpose intended and would need to look for other funding sources, potentially causing undue financial challenges for the City.

### **SUMMARY / CONCLUSION**

As set out in the Community Charter, the MVRD must adopt a security issuing bylaw in order to enable the City of Port Coquitlam to proceed with their borrowing request. In light of the joint and several liability of all member municipality debt, the review of borrowing requests is prudent given the role of the Regional District.

Staff recommends consenting to the City of Port Coquitlam’s borrowing and adopting the Security Issuing Bylaw as outlined in Alternative 1.

### **Attachments**

1. *Metro Vancouver Regional District Security Issuing Bylaw No.1289, 2019*
2. City of Port Coquitlam - Additional Information

29961769

**METRO VANCOUVER REGIONAL DISTRICT  
BYLAW NO. 1289, 2019**

**A bylaw to Authorize the Entering into a Financing Agreement with the Municipal Finance  
Authority of British Columbia in the Amount of \$52, 000,000 (Canadian)**

WHEREAS the Municipal Finance Authority of British Columbia (the “Authority”) may provide financing of capital requirements for Regional Districts or for their member municipalities by the issue of debentures or other evidence of indebtedness of the Authority and lending the proceeds therefrom to the Regional District on whose request the financing is undertaken;

AND WHEREAS the City of Port Coquitlam is a member municipality of the Metro Vancouver Regional District (the “Regional District”);

AND WHEREAS the Regional District is to finance from time to time on behalf of and at the sole cost of the member municipalities, under the provisions of Section 410 (formerly section 824) of the *Local Government Act*, the works to be financed pursuant to the following loan authorization bylaw:

<b>Member Loan Authorization Bylaw Number</b>	<b>Purpose</b>	<b>Amount of Borrowing Authorized</b>	<b>Amount Already Borrowed</b>	<b>Borrowing Authority Remaining</b>	<b>Term of Issue</b>	<b>Amount of Issue</b>
4004	Construction of the Port Coquitlam Community Recreation Complex	\$52,000,000	\$0	\$52,000,000	30 Years	\$52,000,000

AND WHEREAS the Regional Board, by this bylaw, hereby requests such financing shall be undertaken through the Authority:

NOW THEREFORE the Metro Vancouver Regional District Board of Directors enacts as follows:

1. The Regional Board hereby consents to financing the debt of the City of Port Coquitlam in the amount of fifty-two million dollars (\$52,000,000) in accordance with the following terms.
2. The Authority is hereby requested and authorized to finance from time to time the aforesaid undertakings at the sole cost and on behalf of the Regional District and its member municipalities up to, but not exceeding fifty-two million dollars (\$52,000,000) in lawful money of Canada (provided that the Regional District may borrow all or part of such amount in such currency as the Trustees of the Authority shall determine but the aggregate amount in lawful money of Canada and in Canadian Dollar equivalents so borrowed shall not exceed \$52,000,000 in Canadian Dollars) at such interest and with such discounts or premiums and expenses as the Authority may deem appropriate in consideration of the market and economic conditions pertaining.

3. Upon completion by the Authority of financing undertaken pursuant hereto, the Chair and officer assigned the responsibility of financial administration of the Regional District, on behalf of the Regional District and under its seal shall, at such time or times as the Trustees of the Authority may request, enter into and deliver to the Authority one or more agreements, which said agreement or agreements shall be substantially in the form annexed hereto as Schedule "A" and made part of this bylaw (such Agreement or Agreements as may be entered into, delivered or substituted hereinafter referred to as the "Agreement") providing for payment by the Regional District to the Authority of the amounts required to meet the obligations of the Authority with respect to its borrowings undertaken pursuant hereto, which Agreement shall rank as debenture debt of the Regional District.
4. The Agreement in the form of Schedule "A" shall be dated and payable in the principal amount or amounts of monies and in Canadian dollars or as the Authority shall determine and subject to the Local Government Act, in such currency or currencies as shall be borrowed by the Authority under Section 1 and shall set out the schedule of repayment of the principal amount together with interest on unpaid amounts as shall be determined by the Treasurer of the Authority.
5. The obligation incurred under the said Agreement shall bear interest from a date specified therein, which date shall be determined by the Treasurer of the Authority, and shall bear interest at a rate to be determined by the Treasurer of the Authority.
6. The Agreement shall be sealed with the seal of the Regional District and shall bear the signature of the Chair and the officer assigned the responsibility of financial administration of the Regional District.
7. The obligations incurred under the said Agreement as to both principal and interest shall be payable at the Head Office of the Authority in Victoria and at such time or times as shall be determined by the Treasurer of the Authority.
8. During the currency of the obligation incurred under the said Agreement to secure borrowings in respect of City of Port Coquitlam Community Recreation Complex Loan Authorization Bylaw, 2017, No. 4004, there shall be requisitioned annually an amount sufficient to meet the annual payment of interest and the repayment of principal.
9. The Regional District shall provide and pay over to the Authority such sums as are required to discharge its obligations in accordance with the terms of the Agreement, provided, however, that if the sums provided for in the Agreement are not sufficient to meet the obligations of the Authority, any deficiency in meeting such obligations shall be a liability of the Regional District to the Authority and the Regional Board of the Regional District shall make due provision to discharge such liability.
10. The Regional District shall pay over to the Authority at such time or times as the Treasurer of the Authority so directs such sums as are required pursuant to section 15 of the *Municipal Finance Authority Act* to be paid into the Debt Reserve Fund established by the Authority in connection with the financing undertaken by the Authority on behalf of the Regional District pursuant to the Agreement.



This bylaw may be cited as "Metro Vancouver Regional District Security Issuing Bylaw No. 1289, 2019".

Read a first time this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Read a second time this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Read a third time this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Passed and finally adopted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

---

Sav Dhaliwal, Chair

---

Chris Plagnol, Corporate Officer

SCHEDULE A

C A N A D A

PROVINCE OF BRITISH COLUMBIA

A G R E E M E N T

**Metro Vancouver Regional District**

The Metro Vancouver Regional District (the "Regional District") hereby promises to pay to the Municipal Finance Authority of British Columbia at its Head Office in Victoria, British Columbia, (the "Authority") the sum of fifty-two million dollars (\$52,000,000) in lawful money of Canada, together with interest calculated semi-annually in each and every year during the currency of this Agreement; and payments shall be as specified in the table appearing below hereof commencing on the \_\_\_\_ day of \_\_\_\_\_, provided that in the event the payments of principal and interest hereunder are insufficient to satisfy the obligations of the Authority undertaken on behalf of the Regional District, the Regional District shall pay over to the Authority further sums as are sufficient to discharge the obligations of the Regional District to the Authority.

DATED at \_\_\_\_\_, British Columbia, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

IN TESTIMONY WHEREOF and under the authority of Bylaw No. 1289, 2019 cited as "Metro Vancouver Regional District Security Issuing Bylaw No. 1289, 2019". This Agreement is sealed with the Corporate Seal of the Metro Vancouver Regional District and signed by the Chair and the officer assigned the responsibility of financial administration thereof.

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Treasurer

Pursuant to the *Local Government Act*, I certify that this Agreement has been lawfully and validly made and issued and that its validity is not open to question on any ground whatever in any Court of the Province of British Columbia.

Dated \_\_\_\_\_, 20\_\_  
(month, day)

\_\_\_\_\_  
Inspector of Municipalities

PRINCIPAL AND/ OR SINKING FUND DEPOSIT AND INTEREST PAYMENTS

<u>Date of Payment</u>	Principal and/or Sinking Fund <u>Deposit</u>	<u>Interest</u>	<u>Total</u>
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____

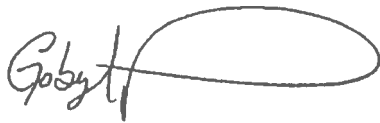
## **CERTIFIED RESOLUTION**

The City of Port Coquitlam Council at their June 25, 2019, Regular Council meeting adopted the following resolution:

### **6.2 Municipal Security Issuing Resolution**

*That Council approve the borrowing of \$52 million from the Municipal Finance Authority of British Columbia, as part of the 2019 Fall Borrowing Session, as authorized through "Port Coquitlam Community Recreation Complex Loan Authorization Bylaw, 2017, No. 4004", and that the Metro Vancouver Regional District be requested to consent to the city's borrowing over a thirty (30) year term and include the borrowing in their Security Issuing Bylaw.*

**CARRIED**



Gabryel Joseph, MPA  
Corporate Officer  
June 26, 2019

***A Bylaw to authorize borrowing for the construction of the Port Coquitlam Community Recreation Complex.***

---

*WHEREAS it is deemed desirable and expedient to construct the Port Coquitlam Community Recreation Complex servicing the City of Port Coquitlam.*

*AND WHEREAS the estimated cost of constructing the Port Coquitlam Community Recreation Complex including expenses incidental thereto is the sum of one-hundred thirty-two million and one hundred thousand dollars (\$132,100,000) of which the sum of fifty-two million dollars (\$52,000,000) is the amount of debt intended to be borrowed by this bylaw.*

***The Council of the Corporation of the City of Port Coquitlam enacts as follows:***

**Citation**

- 1.** This Bylaw may be cited for all purposes as the "Port Coquitlam Community Recreation Complex Loan Authorization Bylaw, 2017, No. 4004".

**Administration**

- 2.** The Council is hereby empowered and authorized to undertake and carry out or cause to be carried out the construction of the Port Coquitlam Community Recreation Complex generally in accordance with general plans on file in the municipal office and to do all things necessary in connection therewith and without limiting the generality of the foregoing:
  - a)** To borrow upon the credit of the Municipality a sum not exceeding fifty-two million dollars (\$52,000,000).
  - b)** To acquire all such real property, easements, rights-of-way, licenses, rights or authorities as may be requisite or desirable for or in connection with the construction of the Port Coquitlam Community Recreation Complex.

3. The maximum term for which debentures may be issued to secure the debt created by this Bylaw is 30 years.

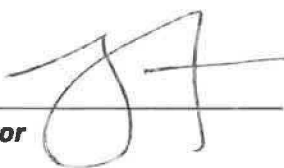
*Read a first time by the Municipal Council this 28th day of March, 2017.*

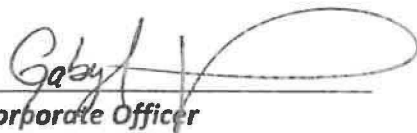
*Read a second time by the Municipal Council this 28th day of March, 2017.*

*Read a third time by the Municipal Council this 28th day of March, 2017.*

*Statutory approval given by the Deputy Inspector of Municipalities this 21<sup>st</sup> day of June, 2017.*

*Adopted by the Municipal Council of the City of Port Coquitlam this 11<sup>th</sup> day of July, 2017.*

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Corporate Officer



## ***Statutory Approval***

***Under the provisions of section*** \_\_\_\_\_ **179**

***of the*** \_\_\_\_\_ **Community Charter**

***I hereby approve Bylaw No.*** \_\_\_\_\_ **4004**

***of the*** \_\_\_\_\_ **City of Port Coquitlam**,

***a copy of which is attached hereto.***

***Dated this*** \_\_\_\_\_ **21<sup>st</sup>** ***day***  
***of*** \_\_\_\_\_ **June** ***, 2017***

\_\_\_\_\_  
**Deputy Inspector of Municipalities**



## *Certificate of Approval*

Under the authority of the *Local Government Act*, I certify that Bylaw No. 4004, cited as the "Port Coquitlam Community Recreation Complex Loan Authorization Bylaw, 2017, No. 4004" of the City of Port Coquitlam has been lawfully and validly made and enacted, and that its validity is not open to question on any ground in any court of British Columbia.

Dated this                      08                      day  
of                      September                      , 2017

*Deputy Inspector of Municipalities of British Columbia*



CITY OF PORT COQUITLAM  
2019-2023 FINANCIAL PLAN BYLAW, 2019  
Bylaw No. 4124

---

The Council of the Corporation of the City of Port Coquitlam enacts as follows:


1. CITATION

This Bylaw is cited as "2019-2023 Financial Plan Bylaw, 2019, No. 4124".

2. REGULATION

- 2.1 Schedule "A" attached to and forming part of this Bylaw is the proposed funding sources and expenditures for 2019 to 2023.
- 2.2 Schedule "B" forming part of this Bylaw is transfers to and expenditures from the City Reserve and Surplus Funds.
- 2.3 Schedule "C" forming part of this Bylaw is the objectives and policies for revenues, property tax distribution and permissive exemptions.

READ A FIRST TIME this	7 day of	May, 2019
READ A SECOND TIME this	7 day of	May, 2019
READ A THIRD TIME this	7 day of	May, 2019
ADOPTED this	14 day of	May, 2019

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Corporate Officer

**SCHEDULE "A"**  
**Proposed Funding Sources and Expenditures**

	<b>2019 Budget</b>	<b>2020 Budget</b>	<b>2021 Budget</b>	<b>2022 Budget</b>	<b>2023 Budget</b>
<b>Revenues</b>					
Taxation & Other Levies	\$ 68,731,200	\$ 70,734,800	\$ 71,737,650	\$ 74,376,300	\$ 76,553,600
Utility Charges	24,206,700	25,101,500	26,030,900	26,996,400	27,999,300
Sale of Services	6,596,600	6,596,600	6,470,300	6,470,300	6,470,300
Contributions	4,157,300	2,896,600	3,169,300	2,844,300	2,855,300
Permits & Licences	2,812,600	2,812,600	2,812,600	2,752,600	2,752,600
Investment Income	2,039,900	2,039,900	2,039,900	2,039,900	2,039,900
Penalties & Fines	429,500	429,500	429,500	429,500	429,500
Other Revenues	62,500	62,500	62,500	62,500	62,500
<b>Total Revenues</b>	<b>\$ 109,036,300</b>	<b>\$ 110,674,000</b>	<b>\$ 112,752,650</b>	<b>\$ 115,971,800</b>	<b>\$ 119,163,000</b>
<b>Expenditures</b>					
City Operating Expenditures	\$ 84,951,800	\$ 85,359,200	\$ 87,597,500	\$ 90,275,000	\$ 92,266,600
External Debt Interest Expense	1,032,500	2,307,500	2,982,500	2,982,500	2,982,500
Amortization	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
<b>Total Operating Expenditures</b>	<b>\$ 97,984,300</b>	<b>\$ 99,666,700</b>	<b>\$ 102,580,000</b>	<b>\$ 105,257,500</b>	<b>\$ 107,249,100</b>
<b>Net Revenue (Expenditure)</b>	<b>\$ 11,052,000</b>	<b>\$ 11,007,300</b>	<b>\$ 10,172,650</b>	<b>\$ 10,714,300</b>	<b>\$ 11,913,900</b>
<b>Allocations</b>					
Net Transfers from (to) Reserves	\$ 41,524,700	\$ (37,000)	\$ (8,471,850)	\$ (9,338,500)	\$ (7,788,100)
Capital Expenditures	(79,130,900)	(57,184,500)	(11,155,000)	(10,830,000)	(13,580,000)
Capital Contributed by Developers	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Unfunded Amortization	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Proceeds from External Borrowing	16,000,000	36,000,000	-	-	-
External Debt Principal Repayment	(445,800)	(785,800)	(1,545,800)	(1,545,800)	(1,545,800)
<b>Total Allocations</b>	<b>\$ (11,052,000)</b>	<b>\$ (11,007,300)</b>	<b>\$ (10,172,650)</b>	<b>\$ (10,714,300)</b>	<b>\$ (11,913,900)</b>
<b>Financial Plan Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**SCHEDULE "B"**  
**Transfers From (to) Reserves**

	<b>2019 Budget</b>	<b>2020 Budget</b>	<b>2021 Budget</b>	<b>2022 Budget</b>	<b>2023 Budget</b>
<b><u>Transfers from Reserve Funds</u></b>					
General Capital	\$ 17,480,400	\$ 8,720,000	\$ 4,478,000	\$ 4,478,000	\$ 4,478,000
Community Recreation Complex	17,506,200	1,000,000	-	-	-
Land Sale	12,438,200	2,000,000	2,000,000	2,000,000	2,000,000
Water Infrastructure	4,908,100	1,345,000	2,000,000	2,000,000	2,000,000
Vehicles & Equipment	3,003,700	4,680,500	1,500,000	1,500,000	1,500,000
Sewer Infrastructure	1,426,000	455,000	750,000	750,000	750,000
Long Term General Infrastructure	1,053,200	-	-	-	-
Information Systems	1,051,100	-	-	-	-
Parking	1,000,000	-	-	-	-
RCMP	600,000	600,000	300,000	200,000	95,000
Building Maintenance	596,700	35,000	-	-	-
Roads & Drainage	238,400	-	-	-	-
Roads (MRN)	124,700	1,210,000	-	-	-
Public Safety Building	120,900	-	-	-	-
Parks & Recreation	111,700	-	-	-	-
Arts & Culture	247,600	95,000	-	-	-
Cemetery	61,700	-	-	-	-
Cart Replacement	50,000	50,000	-	-	2,750,000
Transit Shelters	50,000	50,000	50,000	50,000	50,000
Downtown Projects	13,500	-	-	-	-
Election	-	-	-	100,000	-
Allocated Accumulated Surplus - General	3,390,000	231,000	15,000	-	-
Allocated Accumulated Surplus - Water	144,100	-	-	-	-
Allocated Accumulated Surplus - Sewer	75,000	-	-	-	-
<b>Total Transfers from Reserves</b>	<b>\$ 65,691,200</b>	<b>\$ 20,471,500</b>	<b>\$ 11,093,000</b>	<b>\$ 11,078,000</b>	<b>\$ 13,623,000</b>
<b><u>Transfers to Reserve Funds</u></b>					
General Capital	\$ 9,433,400	\$ 9,222,500	\$ 4,845,400	\$ 4,845,400	\$ 4,845,400
Community Recreation Complex	4,868,300	2,053,300	93,550	-	-
Water Infrastructure	2,960,500	2,960,500	2,067,900	2,067,900	2,067,900
Sewer Infrastructure	2,720,300	1,431,300	762,200	762,200	762,200
Vehicle & Equipment	1,338,500	1,338,500	1,338,500	1,338,500	1,338,500
Federal Gas Tax	451,600	230,500	241,200	241,200	252,200
Land Sale	317,400	317,400	317,400	317,400	317,400
Downtown Projects	304,800	304,800	304,800	304,800	304,800
Roads (MRN)	271,500	271,500	271,500	271,500	271,500
Cart Replacement	248,800	248,800	248,800	248,800	248,800
Sewer Rate Stabilization	85,900	85,900	85,900	85,900	85,900
Parking	64,800	64,800	64,800	64,800	64,800
Transit Shelters	50,000	50,000	50,000	50,000	50,000
RCMP	24,400	24,400	24,400	24,400	24,400
Water Rate Stabilization	17,000	17,000	17,000	17,000	17,000
Election	-	-	21,400	21,400	21,400
Long Term General Infrastructure	708,100	1,377,300	6,521,900	7,241,500	7,990,300
Long Term Water Infrastructure	175,600	294,000	1,308,100	1,433,500	1,562,700
Long Term Sewer Infrastructure	125,600	216,000	980,100	1,080,300	1,185,900
<b>Total Transfers to Reserve Funds</b>	<b>\$ 24,166,500</b>	<b>\$ 20,508,500</b>	<b>\$ 19,564,850</b>	<b>\$ 20,416,500</b>	<b>\$ 21,411,100</b>
<b>Total Transfers from (to) Reserve Funds</b>	<b>\$ 41,524,700</b>	<b>\$ (37,000)</b>	<b>\$ (8,471,850)</b>	<b>\$ (9,338,500)</b>	<b>\$ (7,788,100)</b>

**SCHEDULE "C"**  
**Revenues, Property Taxes and Exemptions**

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In accordance with Section 165(3.1) of the Community Charter, The City of Port Coquitlam is required to include in the Five Year Financial Plan Bylaw, objectives and policies regarding each of the following:

- The proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the Community Charter;
- The distribution of property taxes among the property classes; and
- The use of permissive tax exemptions.

**Sources of Revenue**

<b>Funding Source 165(7)</b>	<b>Details</b>	<b>% of Total 2019 Revenue</b>
Property Value Taxes	Property Taxes	62.5%
Parcel Tax	Parcel Tax	0.5%
Fees	Utility Levies	22.2%
	Sale of Services	6.1%
	Permits and Licenses	2.5%
Other Sources	Contributions	3.8%
	Investment Income	1.9%
	Penalties and Fines	0.4%
	Other Revenue	0.1%

**Objective**

Over the next five years, the City will continue to seek new revenue sources to reduce the burden on property taxes.

**Policies**

The City's Financial Management Policy (7.16.03) states:

- The City will review fees/charges, at a minimum on a biennial basis, to ensure that they keep pace with changes in the cost-of-living, as well as, changes in the methods or levels of service delivery.
- The City will encourage the use of alternate revenue sources instead of property taxes.
- General Revenues will not be dedicated for specific purposes, unless required by law or the Generally Accepted Accounting Principles (GAAP).
- User fees will be set to recover the full cost of services except where Council determines that a subsidy is in the general public interest.

## Distribution of Property Tax Rates

In establishing property tax rates Council will take into consideration:

- Property taxes levied per capita as compared with other BC municipalities;
- Tax levies on a representative home compared with other Metro Vancouver municipalities;
- Tax share borne by each property class historically;
- Taxes generated from new development;
- Tax ratios of each property classification along with tax ratios of other municipalities within the Metro Vancouver; and
- Tax rate competitiveness compared to the neighboring cities of Port Moody and Coquitlam.

The 2019 distribution of property tax rates amongst all the property classifications is provided below:

Property Class	% of General Property Taxation
Residential	57.82%
Utilities	0.76%
Light Industry	9.40%
Business Other	31.85%
Recreational Property / Non-Profit Organization	0.14%
Farm	0.03%

## Objective

The desired result is property taxes that are stable and predictable as well as fair in comparison to others within Metro Vancouver.

## Policies

City tax rates (Policy 7.01) will be set to maintain each property classification's tax share, adjusted for property tax growth from new development in the classification, unless Council determines that adjustments are necessary to maintain the City's tax competitiveness within Metro Vancouver or to attain other Council objectives.

## Permissive Tax Exemptions

The City has an existing permissive tax exemption policy (7.02.04) which guides the administration and approval of permissive tax exemptions. Some of the eligibility criteria for permissive tax exemptions that are outlined in the policy include the following:

- Not-for-profit occupiers of City property for the duration of their occupancy.
- Land and improvements surrounding a statutorily exempt building for public worship.
- Land and improvements surrounding a statutorily exempt building owned by an incorporated institution of learning (private school) that is equivalent to that given in a public school.
- Properties on which a building for public worship or private school is to be built.
- Full or partial property tax exemption for properties that are to be awarded a grant under an existing City grant program and would qualify for property tax exemption under the Community Charter. Property tax exemption would be provided instead of a cash grant to the organization.
- Non-profit occupiers of school premises.
- Registered charities who provide services to the community where 75% of the services of their organization are open to and used by residents of Port Coquitlam.

**Objective**

The purpose of this policy is to:

- Optimize the provision of charitable and not for profit services for the benefit of Port Coquitlam residents.
- Provide property tax exemptions as permitted under the Community Charter in a consistent and fair manner.
- Restrict provision of exemption to those providing an extension to city services.
- Reduce impact on city revenues.

**Policies**

Port Coquitlam residents must be primary beneficiaries of the organization's services. The services provided on the property must be accessible to the public. Council may provide a partial exemption.

The intent of this guideline is to ensure Port Coquitlam residents will generally benefit from the municipal support provided, and will not be restricted from accessing the services of the organization.

# LIABILITY SERVICING LIMIT CERTIFICATE

The Corporation of the City of Port Coquitlam (the "Municipality")  
In relation to Port Coquitlam Community Recreation Complex Loan Authorization Bylaw, 2017, No. 4004

The undersigned Financial Officer assigned responsibility for financial administration under section 149 of the Community Charter, SBC 2003, Chapter 26 (the "Charter") or Auditor appointed for the Municipality under section 169 of the Charter hereby certifies as follows:

Calculation revenue for the previous year (section 4 & 5, BC Reg 254/2004)	<u>\$106,340,671.00</u> a
Liability Servicing Limit (a x 25%) (section 2, BC Reg 254/2004)	<u>\$26,585,167.75</u> b
Annual Servicing cost for previous year	<u>\$1,478,252.00</u> c

Plus: New liabilities incurred, other than current request

Liability Type and reference	Annual servicing cost
	d
	e
	f
	g
	h
	i
	j
	k
	l
Total of lines d through l	<u>\$0.00</u> m

Less: Liabilities which have matured

Liability type and reference	Annual servicing cost
	n
	o
	p
	q
	r

Total of lines n through r \$0.00 s

Amount of new liability \$52,000,000.00 t

(section 3, BC Reg 254/2004)

Annual servicing cost of new liability \$3,043,001.00 u

(section 3, BC Reg 254/2004)

Total liability servicing cost including current request (lines c+m-s+u) \$4,521,253.00 v

☒ which is less than the annual liability servicing limit stated on line b.

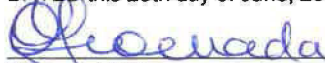
OR

☐ which exceeds the annual liability servicing limit stated on line b, and the undersigned hereby requests approval of the Inspector of Municipalities under section 174 of the Charter to exceed the limit established under the section.

In accordance with section 179(5) or section 175(1)(b) of the Charter, as applicable, the debt to be contracted under the loan authorization bylaw, or other liability for which certification is being made, referred to above will not exceed the lesser of 30 years and the reasonable life expectancy of the capital asset, activity, work or service, or the remaining term of the applicable agreement, as the case may be, for which the debt is to be contracted.

The undersigned Financial Officer or Auditor also hereby authorizes Legal Counsel of the Municipal Finance Authority of British Columbia to rely on this Certificate in giving any opinion in connection with any borrowing by the Municipal Finance Authority of British Columbia ("MFA") and the issuance of bonds, debentures, and other securities by the MFA in respect of the loan authorization bylaw, or other liability for which certification is being made, referred to above.

DATED this 25th day of June, 2019.

  
Financial Officer

OR

  
Auditor

Karen Grommada  
(Please print full name)

  
(Please print full name & company)

Metro Vancouver Regional District



# Auditors' Report to Mayor and Council



KPMG LLP  
PO Box 10426 777 Dunsmuir Street  
Vancouver BC V7Y 1K3  
Canada  
Telephone (604) 691-3000  
Fax (604) 691-3031

## INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Corporation of the City of Port Coquitlam

### *Opinion*

We have audited the consolidated financial statements of the Corporation of the City of Port Coquitlam (the "City"), which comprise:

- the consolidated statement of financial position as at December 31, 2018
- the consolidated statement of operations for the year then ended
- the consolidated statement of change in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2018, and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG LLP is a Canadian limited liability partnership with a limited term of the KPMG network of independent member firms affiliated with KPMG Global Cooperative ("KPMG Global Network") a Swiss entity. KPMG Canada provides services to KPMG LLP.



# Auditors' Report to Mayor and Council



Corporation of the City of Port Coquitlam  
Page 2

## ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

# Auditors' Report to Mayor and Council



Corporation of the City of Port Coquitlam  
Page 3

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities with the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

*KPMG LLP*

Chartered Professional Accountants

Vancouver, Canada  
May 14, 2019

# Consolidated Statement of Financial Position

## AS AT DECEMBER 31

		2018	2017
<b>FINANCIAL ASSETS</b>			
Cash and cash equivalents		\$ 4,439,646	\$ 3,889,049
Investments	Note 3	169,256,299	174,146,606
Accounts and other receivables	Note 4	27,147,529	23,551,707
Due from other governments	Note 5	704,233	626,471
		201,547,707	202,213,833
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	Note 6	22,261,073	12,303,997
Deferred revenue	Note 7	12,784,199	11,775,416
Deposits	Note 8	12,505,059	9,730,147
Development cost charges	Note 9	35,978,928	32,884,604
Post-employment future benefits and compensated absences	Note 10	2,813,000	2,743,000
Debt	Note 11	20,465,325	21,080,650
		106,807,584	90,517,814
<b>NET FINANCIAL ASSETS</b>		94,740,123	111,696,019
<b>NON-FINANCIAL ASSETS</b>			
Tangible capital assets	Note 12	690,006,511	645,103,796
Inventories		372,431	294,471
Prepaid expenses		233,987	157,556
		690,612,929	645,555,823
<b>ACCUMULATED SURPLUS</b>		\$785,353,052	\$757,251,842

Commitments and Contingencies

Note 17

See accompanying Notes to the Consolidated Financial Statements



Kristen Dixon, PEng, MBA  
Chief Administrative Officer



Karen Grommada, CPA, CMA  
Director of Finance

# Consolidated Statement of Operations

## FOR THE YEAR ENDED DECEMBER 31

		<b>2018 Budget (Notes 2(c) and 22)</b>	<b>2018</b>	<b>2017</b>
<b>REVENUES</b>				
Taxation	Note 20	\$ 66,161,800	\$ 66,347,197	\$ 64,792,961
Utility charges		22,791,200	23,148,835	22,591,213
Sale of services		5,275,700	6,864,438	6,696,583
Contributions	Note 21	16,343,400	15,508,028	7,958,722
Permits and licences		2,718,900	3,219,649	2,893,560
Investment income		2,039,900	3,618,483	2,991,687
Penalties and fines		406,400	473,984	449,722
Other revenue		715,700	1,048,282	1,166,590
Gain on disposals of tangible capital assets		-	-	16,922,586
		<u>\$ 116,453,000</u>	<u>\$ 120,228,896</u>	<u>\$ 126,463,624</u>
<b>EXPENSES</b>				
General government		\$ 9,416,392	\$ 9,042,904	\$ 9,176,563
Engineering and public works		17,408,747	17,401,245	16,670,762
Recreation		13,828,025	13,104,051	12,807,567
Police services		15,329,142	14,680,603	14,537,292
Fire and emergency services		12,484,966	12,226,040	11,637,604
Development services		3,779,970	3,201,571	3,116,819
Solid waste operations		3,781,200	3,710,344	3,546,218
Water operations		10,429,113	10,837,877	10,255,407
Sanitary sewer operations		8,208,345	7,923,051	7,664,057
		<u>\$ 94,665,900</u>	<u>\$ 92,127,686</u>	<u>\$ 89,412,289</u>
<b>ANNUAL SURPLUS</b>		<b>\$ 21,787,100</b>	<b>\$ 28,101,210</b>	<b>\$ 37,051,335</b>
<b>ACCUMULATED SURPLUS, beginning of year</b>		<u>757,251,842</u>	<u>757,251,842</u>	<u>720,200,507</u>
<b>ACCUMULATED SURPLUS, end of year</b>		<u><u>\$ 779,038,942</u></u>	<u><u>\$ 785,353,052</u></u>	<u><u>\$ 757,251,842</u></u>

See accompanying Notes to the Consolidated Financial Statements

# Consolidated Statement of Change in Net Financial Assets

## FOR THE YEAR ENDED DECEMBER 31

	2018 Budget (Notes 2(c) and 22)	2018	2017
Annual surplus	\$ 21,787,100	\$ 28,101,210	\$ 37,051,335
Acquisition of tangible capital assets	(104,047,700)	(55,692,870)	(31,817,718)
Developer contributions of tangible capital assets	(1,000,000)	(1,412,331)	(716,211)
Amortization of tangible capital assets	12,000,000	11,194,146	11,449,554
Loss (gain) on disposal of tangible capital assets	-	596,419	(16,922,586)
Proceeds on disposal of tangible capital assets	-	411,921	17,539,656
Use (increase) of inventories	-	(77,960)	35,527
Increase of prepaid expenses	-	(76,431)	(63,201)
<b>CHANGE IN NET FINANCIAL ASSETS</b>	(71,260,600)	(16,955,896)	16,556,356
<b>NET FINANCIAL ASSETS, beginning of year</b>	111,696,019	111,696,019	95,139,663
<b>NET FINANCIAL ASSETS, end of year</b>	\$ 40,435,419	\$ 94,740,123	\$ 111,696,019

See accompanying Notes to the Consolidated Financial Statements

# Consolidated Statement of Cash Flows

**FOR THE YEAR ENDED DECEMBER 31**

	<b>2018</b>	<b>2017</b>
<b>CASH PROVIDED (USED) BY:</b>		
<b>OPERATING ACTIVITIES</b>		
Annual surplus	\$ 28,101,210	\$ 37,051,335
Items not involving cash:		
Developer contributions of tangible capital assets	(1,412,331)	(716,211)
Amortization of tangible capital assets	11,194,146	11,449,554
Loss (gain) on disposal of tangible capital assets	596,419	(772,586)
Change in non-cash operating assets and liabilities:		
Accounts and other receivables	(3,595,822)	(15,563,652)
Due from other governments	(77,762)	(338,646)
Accounts payable and accrued liabilities	9,957,076	(446,324)
Deferred revenue	1,008,783	1,198,833
Deposits	2,774,912	3,173,150
Development cost charges	3,094,324	566,923
Post-employment future benefits and compensated absences	70,000	6,000
Inventories	(77,960)	35,527
Prepaid expenses	(76,431)	(63,201)
<b>Cash provided by operating activities</b>	<b>51,556,564</b>	<b>35,580,702</b>
<b>FINANCING ACTIVITIES</b>		
Debt repayment	(615,325)	(591,658)
<b>Cash used in financing activities</b>	<b>(615,325)</b>	<b>(591,658)</b>
<b>CAPITAL ACTIVITIES</b>		
Cash used to acquire tangible capital assets	(55,692,870)	(31,817,718)
Proceeds on disposals of tangible capital assets	411,921	1,389,656
<b>Cash used in capital activities</b>	<b>(55,280,949)</b>	<b>(30,428,062)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of investments	(159,000,000)	(125,056,500)
Redemption of investments	163,890,307	116,848,677
<b>Cash provided by (used in) investing activities</b>	<b>4,890,307</b>	<b>(8,207,823)</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>550,597</b>	<b>(3,646,841)</b>
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<b>3,889,049</b>	<b>7,535,890</b>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<b>\$ 4,439,646</b>	<b>\$ 3,889,049</b>
<b>Non-cash transactions</b>		
Non-cash gain on land sale	\$ -	\$ 16,150,000

See accompanying Notes to the Consolidated Financial Statements

Metro Vancouver Regional District

# Notes to the Consolidated Financial Statements

## YEAR ENDED DECEMBER 31, 2018

### 1. OPERATIONS

The Corporation of the City of Port Coquitlam (the "City") is incorporated under the *Local Government Act of British Columbia*. The City's principal activities include the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water and sanitary sewer services.

### 2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the City are prepared in accordance with Canadian Public Sector Accounting Standards as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.

#### a. BASIS OF PRESENTATION

The consolidated financial statements comprise the City's General, Water, Sewer and Reserve funds and the Port Coquitlam Community Foundation. All inter-fund and inter-entity balances and transactions have been eliminated on consolidation.

Under the Community Charter, City Council may, by bylaw, establish reserve funds for specified purposes:

- (i) Internally restricted reserves are in accordance with City policy and with bylaws adopted by City Council pursuant to the Community Charter. The policy and bylaws define the funding source for each reserve and their usage.
- (ii) Statutorily restricted reserves are reserves restricted by the provincial government in accordance with the Community Charter. The legislation defines the funding source for each reserve and their usage.

Trust funds are those that are administered for certain beneficiaries. In accordance with PSAB recommendations, trust funds are not included in the City's consolidated financial statements. Trust funds administered by the City are presented in Note 19.

#### b. BASIS OF ACCOUNTING

The City follows the accrual method of accounting for revenue and expenses. Revenues are recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods and services and/or the creation of a legal obligation to pay.

#### c. BUDGET INFORMATION

The budget information reported in the consolidated statement of operations and the consolidated statement of change in net financial assets reflects the 2018 Financial Plan Bylaw adopted by City Council on April 10, 2018.

#### d. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash, highly liquid money market investments, and investments with maturities of less than 90 days at acquisition.

#### e. INVESTMENTS

Investments are recorded at cost, adjusted for amortization of premiums or discounts. Provisions for losses are recorded when they are considered to be other than temporary.

#### f. REVENUE RECOGNITION

Taxes are recorded at estimated amounts when they meet the definition of an asset, they are authorized and the taxable event occurs. Levies imposed by other taxing authorities are not included as taxes for municipal purposes. British Columbia Assessment Authority's appeal process may adjust taxes by way of supplementary roll adjustments. These adjustments are recognized in the year they are adjusted.



# Notes to the Consolidated Financial Statements

## g. DEFERRED REVENUE

The City defers a portion of the revenue collected from permits, licenses and recreation and other fees and recognizes this revenue in the year in which related services are performed or other related expenditures are incurred. The City also defers a portion of property taxes which is recognized in the taxation year to which it relates.

## h. DEPOSITS

Deposits represent cash collected by the City as security against work performed by property developers. The security is returned to the developer upon satisfactory completion of the work, or recognized into revenue if the work is not performed in accordance with the applicable bylaws.

## i. DEVELOPMENT COST CHARGES

Development cost charges, collected to pay for capital projects due to be developed, are deferred upon receipt and are recognized as revenue when the capital costs for which they were collected are incurred.

## j. POST-EMPLOYMENT FUTURE BENEFITS AND COMPENSATED ABSENCES

The City and its employees make contributions to the Municipal Pension Plan. As this plan is a multi-employer plan, contributions are expensed as incurred.

Post-employment future benefits and compensated absences also accrue to City employees. Liabilities related to these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. Liabilities under these benefits plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

## k. DEBT

Debt is recorded in the consolidated financial statements net of sinking fund credits.

## l. NON-FINANCIAL ASSETS

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They are not intended for sale in the ordinary course of operations.

### *Tangible Capital Assets*

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, is amortized on a straight line basis over the asset's useful life as follows:

MAJOR ASSET CATEGORY	USEFUL LIFE	MAJOR ASSET CATEGORY	USEFUL LIFE
Land	Not amortized	Drainage	25 to 100 years
Parks infrastructure	3 to 100 years	Land improvements	45 to 100 years
Vehicles, machinery & equipment	5 to 25 years	Water	25 to 80 years
Transportation infrastructure	10 to 100 years	Sanitary sewer	25 to 100 years
Buildings	20 to 70 years		

Amortization begins once the asset is in use and ends when the asset is disposed or decommissioned. Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are also recorded as revenue.

Interest is capitalized whenever external debt is issued to finance the construction of tangible capital assets.

Leases, which transfer substantially all of the benefits and risks incidental to ownership of property, are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

Natural resources, works of art and historic assets are not recorded as assets in these consolidated financial statements.

### *Inventories*

Inventories held for consumption are recorded at the lower of cost and replacement cost.



# Notes to the Consolidated Financial Statements

## m. GOVERNMENT TRANSFERS

Restricted transfers from governments are deferred and recognized as revenue as the related expenditures are incurred and eligibility terms are met or the stipulations in the related agreement are met. Unrestricted transfers are recognized as revenue when received or if the amount to be received can be reasonably estimated and collection is reasonably assured.

## n. LIABILITIES FOR CONTAMINATED SITES

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic, radioactive material or live organism that exceeds an environmental standard. Liabilities are recorded net of any expected recoveries.

A liability for remediation of contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- i. An environmental standard exists;
- ii. Contamination exceeds the environmental standards;
- iii. The City is directly responsible or accepts responsibility;
- iv. It is expected that future economic benefits will be given up; and
- v. A reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance, and monitoring that are an integral part of the remediation strategy for a contaminated site.

## o. USE OF ESTIMATES

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of post-employment future benefits and compensated absences, allowance for doubtful accounts receivable, provision for contingencies and liability for contaminated sites, valuation of contributed tangible capital assets, and useful lives of tangible capital assets. Actual results may differ from management's estimates as additional information becomes available. Adjustments, if any, will be reflected in the consolidated financial statements in the period that the change in estimate is made, as well as in the period of settlement if the amount is different.

## p. SEGMENT DISCLOSURE

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. Financial information is presented in segmented format in Note 23.

## 3. INVESTMENTS

Investments have maturity dates of more than 90 days at acquisition and include term deposits in credit unions and deposits with the Municipal Finance Authority. Deposits include term deposits in credit unions guaranteed by the Province of British Columbia with varying maturity dates from January, 2019 to December, 2020 and have rates of return ranging from 2.10% to 4.00% (2017 - 1.60% to 2.31%). The carrying value of the Municipal Finance Authority Intermediate Fund at December 31, 2018 was \$6,256,299 (2017 - \$6,088,106) and the market value at December 31, 2018 was \$6,060,859 (2017 - \$5,947,656).

	2018	2017
Deposits	\$ 163,000,000	\$ 168,058,500
Municipal Finance Authority Intermediate Fund	6,256,299	6,088,106
	<u>\$ 169,256,299</u>	<u>\$ 174,146,606</u>

# Notes to the Consolidated Financial Statements

## 4. ACCOUNTS AND OTHER RECEIVABLES

	2018	2017
Land sale receivable (a)	\$ 8,150,000	\$ 12,245,162
Accounts receivable	12,246,850	4,663,174
Property tax and utility receivable	2,501,061	2,161,474
Development cost charges receivable	1,289,180	2,074,508
Other	2,960,438	2,407,389
	<u>\$ 27,147,529</u>	<u>\$ 23,551,707</u>

### a. LAND SALE RECEIVABLE

In 2017, the City sold land to a developer for \$17,275,000. The City also entered into an agreement with a contractor to construct the community centre situated on adjacent land. As per the land purchase and sale agreement, the payments remitted by the developer for the land sale are to be offset against progress payments payable by the City to the contractor for the community centre construction. In 2017, the City received a total of \$5,029,838 of the land sale proceeds in the form of cash in the amount of \$1,125,000 and offsets against progress payments in the amount of \$3,904,838. In 2018, the City received offsets from progress payments payable in the amount of \$4,095,162. The remaining land sale receivable will be offset by progress payments in installments as follows:

July 29, 2019	\$ 6,000,000
July 29, 2020	2,150,000
	<u>\$ 8,150,000</u>

The land sale receivable is non-interest bearing.

## 5. DUE FROM OTHER GOVERNMENTS

	2018	2017
Government of Canada	\$ 643,383	\$ 545,596
Province of British Columbia	60,850	80,875
	<u>\$ 704,233</u>	<u>\$ 626,471</u>

## 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2018	2017
Accounts payable and accrued liabilities	\$ 14,152,507	\$ 7,997,496
Wages and benefits payable	2,161,195	2,065,554
Statutory holdbacks	5,935,513	2,046,933
Due to other governments	11,858	194,014
	<u>\$ 22,261,073</u>	<u>\$ 12,303,997</u>

# Notes to the Consolidated Financial Statements

## 7. DEFERRED REVENUE

	December 31, 2017	Additions	Revenue earned	December 31, 2018
Property taxes and utilities	\$ 7,520,953	\$ 14,494,798	\$ (13,560,194)	\$ 8,455,557
Programs and services	2,224,398	2,433,806	(2,472,532)	2,185,672
Other	2,030,065	1,907,554	(1,794,649)	2,142,970
	<u>\$ 11,775,416</u>	<u>\$ 18,836,158</u>	<u>\$ (17,827,375)</u>	<u>\$ 12,784,199</u>

## 8. DEPOSITS

Deposits represent cash collected as security under the following bylaws: Port Coquitlam Highway Bylaw, 1984 No. 2011; Subdivision Servicing Bylaw 1987 No. 2241; and City of Port Coquitlam Soil Removal and Deposit Bylaw 2002 No. 3331.

## 9. DEVELOPMENT COST CHARGES

AREA 1	December 31, 2017	Third Party Contributions	Interest Allocation	Capital Expenditures	December 31, 2018
Drainage	\$ 4,275,560	\$ 183,659	\$ 91,715	\$ -	\$ 4,550,934
Transportation	9,462,409	1,074,968	209,805	(18,372)	10,728,810
Parks	3,992,902	697,664	90,843	(31,759)	4,749,650
Water	4,664,636	84,709	98,387	(43,775)	4,803,957
Sanitary	1,522,440	41,950	32,412	-	1,596,802
<b>AREA 2</b>					
Drainage	158,260	166,080	5,067	-	329,407
Transportation	4,367,724	192,104	93,739	-	4,653,567
Parks	1,127,477	16,475	23,850	-	1,167,802
Water	1,433,919	36,059	30,491	-	1,500,469
Sanitary	880,418	9,512	18,589	-	908,519
Parks interest	998,859	-	20,656	(30,504)	989,011
	<u>\$ 32,884,604</u>	<u>\$ 2,503,180</u>	<u>\$ 715,554</u>	<u>\$ (124,410)</u>	<u>\$ 35,978,928</u>

## 10. POST-EMPLOYMENT FUTURE BENEFITS AND COMPENSATED ABSENCES

The City provides sick leave and retirement benefits to its employees. Eligible employees accumulate sick leave entitlement on a monthly basis and can only use this entitlement for paid time off under certain circumstances. Retirement benefits represent the City's share of the cost to provide eligible employees with severance pay upon retirement.

The amount recorded for these benefits is based on an actuarial valuation done by an independent firm of actuaries using a projected benefit actuarial valuation method pro-rated on services. The most recent actuarial valuation of the City's future benefits was completed as at December 31, 2018.

*Note 10 continued on next page*

# Notes to the Consolidated Financial Statements

## 10. POST-EMPLOYMENT FUTURE BENEFITS AND COMPENSATED ABSENCES (CONTINUED)

Information regarding the City's obligations for these benefits is as follows:

	Non-vested Sick Leave	Severance	2018	2017
Accrued benefit obligation, beginning of year	\$ 687,000	\$ 2,745,000	\$ 3,432,000	\$ 3,422,000
Service cost	49,000	141,000	190,000	203,000
Interest cost	20,000	78,000	98,000	110,000
Benefit payments	(78,000)	(229,000)	(307,000)	(414,000)
Amortization of net actuarial loss	(17,000)	(206,000)	(223,000)	111,000
Accrued benefit obligation, end of year	661,000	2,529,000	3,190,000	3,432,000
Unamortized actuarial loss	(278,000)	(99,000)	(377,000)	(689,000)
Accrued benefit liability	\$ 383,000	\$ 2,430,000	\$ 2,813,000	\$ 2,743,000

The unamortized actuarial loss is amortized over a period equal to the employees' average remaining service lifetime. The significant actuarial assumptions adopted in measuring the City's accrued benefit liability are as follows:

	2018	2017
Discount rate	3.20%	2.90%
Expected future inflation rate	2.50%	2.50%
Expected compensation increase	2.58% - 4.63%	2.58% - 4.63%
Expected average remaining service lifetime	10 years	10 years

## 11. DEBT

The City incurs debt through the Municipal Finance Authority ("MFA") in accordance with the Community Charter to finance certain capital expenditures. Sinking fund credits managed by the MFA are netted against related debt. The gross amount of debt and the amount of sinking fund credits available to retire the debt are as follows:

	Gross Debt	2018 Sinking Fund Credits	Net Debt	2017 Net Debt
Coast Meridian Overpass, Bylaw 3611, 4.13%, due 2039	\$ 25,000,000	\$ 4,534,675	\$ 20,465,325	\$ 21,080,650

Future payments on net outstanding debt over the next five years and thereafter are paid from the General Fund and are as follows:

2019	\$ 1,478,252
2020	1,478,252
2021	1,478,252
2022	1,478,252
2023	1,478,254
Thereafter	23,652,040
Principal and interest payments	31,043,302
Amount representing interest	(10,577,977)
Debt principal repayments	\$ 20,465,325

The City paid \$862,928, net of earnings on the debt reserve deposit, in interest on debt during the year (2017 - \$886,594).

The City has available a revolving facility up to a maximum of \$5,000,000 which bears interest at an annual rate of bank prime per annum. The City provided security for the facility by way of a general security agreement. No amounts are outstanding under the banking facility.

# Notes to the Consolidated Financial Statements

## 12. TANGIBLE CAPITAL ASSETS

- a. Assets Under Construction: Assets under construction having a value of \$71,055,436 (2017 - \$28,658,444) have not been amortized. Amortization of these assets will commence when the assets are put into service.
- b. Contributed Tangible Capital Assets: Contributed tangible capital assets (including transportation infrastructure, drainage, water and sanitary sewer assets) have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$1,412,331 (2017 - \$716,211).

*Please note: Note 12 spans two pages.*

### AS AT DECEMBER 31, 2018

	Land	Parks Infrastructure	Vehicles, Machinery, Equipment	Transportation Infrastructure
<b>COST</b>				
Opening balance	\$ 224,772,948	\$ 20,322,845	\$ 25,268,899	\$ 264,076,475
Add: Additions	1,340,635	12,179	2,509,864	1,347,127
Add/(Deduct): Transfers from AUC	60,239	-	-	6,788,737
Less: Disposals	(20,083)	-	(750,974)	(448,444)
Closing balance	226,153,739	20,335,024	27,027,789	271,763,895
<b>ACCUMULATED AMORTIZATION</b>				
Opening balance	-	11,244,298	15,460,921	62,239,773
Add: Amortization	-	715,198	1,200,994	4,383,151
Less: Disposals	-	-	(603,417)	(325,866)
Closing balance	-	11,959,496	16,058,498	66,297,058
<b>Net book value as at December 31, 2018</b>	<b>\$ 226,153,739</b>	<b>\$ 8,375,528</b>	<b>\$ 10,969,291</b>	<b>\$ 205,466,837</b>

### AS AT DECEMBER 31, 2017

	Land	Parks Infrastructure	Vehicles, Machinery, Equipment	Transportation Infrastructure
<b>COST</b>				
Opening balance	\$ 223,312,159	\$ 20,876,065	\$ 24,685,739	\$ 262,268,294
Add: Additions	1,654,519	93,090	507,297	122,598
Add/(Deduct): Transfers from AUC	26,108	43,957	184,863	2,380,775
Less: Disposals	(219,838)	(690,267)	(109,000)	(695,192)
Closing balance	224,772,948	20,322,845	25,268,899	264,076,475
<b>ACCUMULATED AMORTIZATION</b>				
Opening balance	-	11,207,620	14,072,621	58,395,136
Add: Amortization	-	725,374	1,497,300	4,341,042
Less: Disposals	-	(688,696)	(109,000)	(496,405)
Closing balance	-	11,244,298	15,460,921	62,239,773
<b>Net book value as at December 31, 2017</b>	<b>\$ 224,772,948</b>	<b>\$ 9,078,547</b>	<b>\$ 9,807,978</b>	<b>\$ 201,836,702</b>

# Notes to the Consolidated Financial Statements

c. Works of art and historical treasures: The City manages and controls some works of art and non-operational historical assets located at City sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

d. Write-down of tangible capital assets: The write-down of tangible capital assets during the year was nil (2017 - nil).

Buildings	Drainage	Land Improvements	Water	Sanitary Sewer	Assets Under Construction ("AUC")	2018 Total
\$ 37,821,683	\$ 89,130,189	\$ 20,567,438	\$ 77,511,397	\$ 59,396,054	\$ 28,658,444	\$ 847,526,372
87,339	245,503	-	710,139	87,209	50,765,206	57,105,201
-	-	25,563	931,281	-	(7,805,820)	-
-	(170,566)	-	(208,483)	(7,151)	(562,394)	(2,168,095)
37,909,022	89,205,126	20,593,001	78,944,334	59,476,112	71,055,436	902,463,478
19,358,403	31,896,420	6,268,768	34,041,086	21,912,907	-	202,422,576
795,174	1,335,166	290,909	1,580,138	893,416	-	11,194,146
-	(113,509)	-	(114,553)	(2,410)	-	(1,159,755)
20,153,577	33,118,077	6,559,677	35,506,671	22,803,913	-	212,456,967
\$ 17,755,445	\$ 56,087,049	\$ 14,033,324	\$ 43,437,663	\$ 36,672,199	\$ 71,055,436	\$ 690,006,511

Buildings	Drainage	Land Improvements	Water	Sanitary Sewer	Assets Under Construction ("AUC")	2017 Total
\$ 37,624,341	\$ 88,406,863	\$ 20,524,274	\$ 75,903,737	\$ 58,778,882	\$ 4,646,266	\$ 817,026,620
197,342	257,540	-	286,006	105,637	29,309,900	32,533,929
-	528,327	43,164	1,568,904	521,624	(5,297,722)	-
-	(62,541)	-	(247,250)	(10,089)	-	(2,034,177)
37,821,683	89,130,189	20,567,438	77,511,397	59,396,054	28,658,444	847,526,372
18,551,047	30,603,456	5,977,859	32,549,953	21,032,437	-	192,390,129
807,356	1,317,354	290,909	1,586,528	883,691	-	11,449,554
-	(24,390)	-	(95,395)	(3,221)	-	(1,417,107)
19,358,403	31,896,420	6,268,768	34,041,086	21,912,907	-	202,422,576
\$ 18,463,280	\$ 57,233,769	\$ 14,298,670	\$ 43,470,311	\$ 37,483,147	\$ 28,658,444	\$ 645,103,796

# Notes to the Consolidated Financial Statements

## 13. ACCUMULATED SURPLUS

		2018	2017
Unrestricted Reserves:			
General		\$ 11,955,479	\$ 11,310,469
Water		1,059,499	6,819,427
Sewer		1,480,379	2,913,505
		14,495,357	21,043,401
Restricted Reserves	Note 14	100,710,091	111,733,268
Investment in tangible capital assets	Note 15	669,541,186	624,023,146
Investment in inventories and prepaids		606,418	452,027
		670,147,604	624,475,173
		\$ 785,353,052	\$ 757,251,842

## 14. RESTRICTED RESERVES

	December 31, 2017	Contributions/ Transfers	Interest Allocation	Use of Reserves	December 31, 2018
Building maintenance	\$ 650,302	\$ -	\$ 13,641	\$ (1,468)	\$ 662,475
Cemetery expansion	120,418	51,515	3,069	-	175,002
Community amenities	355,186	38,750	7,867	-	401,803
Environmental	490,279	-	10,296	-	500,575
Equipment	12,140,670	1,575,869	249,737	(2,072,869)	11,893,407
Gas tax	907,794	232,048	9,987	(1,096,500)	53,329
Land sale	32,801,046	401,063	582,625	(10,515,106)	23,269,628
Long term infrastructure	18,410,129	-	306,783	(7,602,724)	11,114,188
Operating	2,700,758	487,360	55,475	(114,636)	3,128,957
Parking	3,077,623	220,691	66,947	-	3,365,261
Parks and recreation	792,001	-	16,154	(45,411)	762,744
Parkland acquisition	2,192,532	140,418	47,517	-	2,380,467
Public safety building	192,882	-	3,821	(21,994)	174,709
Public works special capital	2,352,640	(2,352,640)	24,703	-	24,703
Recreation complex	6,012,570	6,578,165	195,335	-	12,786,070
RCMP	1,708,134	472,000	40,827	-	2,220,961
Roads and drainage infrastructure	6,568,973	513,225	95,986	(4,509,510)	2,668,674
Sewer	3,083,682	3,299,900	89,804	(1,405,288)	5,068,098
Social housing	427,551	38,750	9,385	-	475,686
Unallocated capital	12,172,762	9,146,616	233,159	(11,286,711)	10,265,826
Water	4,575,336	8,322,800	144,359	(3,724,967)	9,317,528
	\$ 111,733,268	\$ 29,166,530	\$ 2,207,477	\$ (42,397,184)	\$ 100,710,091

# Notes to the Consolidated Financial Statements

## 15. INVESTMENT IN TANGIBLE CAPITAL ASSETS

		2018	2017
Cost of tangible capital assets	Note 12	\$ 902,463,478	\$ 847,526,372
Accumulated amortization	Note 12	(212,456,967)	(202,422,576)
Debt incurred to purchase tangible capital assets	Note 11	(20,465,325)	(21,080,650)
		<u>\$ 669,541,186</u>	<u>\$ 624,023,146</u>

## 16. PENSION PLAN

The City and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2017, the plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 39,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

The City paid \$2,951,515 (2017 - \$2,916,139) for employer contributions while employees contributed \$2,393,133 (2017 - \$2,351,874) to the plan in 2018.

The next valuation will be as at December 31, 2018, with results available in 2019.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.



# Notes to the Consolidated Financial Statements

## 17. COMMITMENTS AND CONTINGENCIES

- a. The loan agreements with the Metro Vancouver Regional District and the MFA provide that, if at any time the scheduled payments provided for in the agreements are not sufficient to meet the authorities' obligations in respect of such borrowing, the resulting deficiency becomes a joint and several liability of the City and the other participants.
- b. A number of legal claims have been initiated against the City in varying or unspecified amounts. The outcome of these claims cannot reasonably be determined at this time. The amount of loss, if any, arising from these claims will be recorded in the period in which the loss is realized. Liability insurance is carried by the City, subject to a deductible of \$250,000. The City self insures claims under \$250,000.
- c. The City is a shareholder and member of E-Comm Emergency Communications for Southwest British Columbia Incorporated ("E-Comm") whose services provided include: regional 9-1-1 call centre for the Greater Vancouver Regional District; Wide Area Radio network; dispatch operations; and records management. The City has 1 Class A share and 2 Class B share (of a total of 32 Class A and 21 Class B shares issued and outstanding as at December 31, 2018). As a Class A shareholder, the City shares in both funding the future operations and capital obligations of E-Comm (in accordance with a cost sharing formula), including any lease obligations committed to by E-Comm up to the shareholder's withdrawal date.
- d. The City provides a share of both the ongoing operations and any additional costs relating to tangible capital assets (in accordance with a negotiated agreement) for the RCMP building located at 2986 Guildford Way, Coquitlam, BC.
- e. The City has entered into an agreement for construction of a recreation complex for \$122,552,850 with a term of 5 years. The City will offset \$16,150,000 of the progress payments against the proceeds from a related land sale (Note 4(a)).

## 18. CONTRACTUAL RIGHTS

The City's contractual rights arise from rights to receive payments under cost sharing agreements for infrastructure projects, grant, rentals, advertising and sponsorships. The City is scheduled to receive the following amounts in the next five years and thereafter:

2019	\$ 2,277,848
2020	639,967
2021	1,884,354
2022	642,120
2023	652,494
Thereafter	1,103,946
Total	<u>\$ 7,200,729</u>

## 19. TRUST FUNDS

Certain assets have been conveyed or assigned to the City to be administered as directed by an agreement or statute. The City holds the assets for the benefit of, and stands in a fiduciary relationship, to the beneficiary. The following trust fund is excluded from the City's consolidated financial statements.

<b>Cemetery Perpetual Care Fund</b>	<b>2018</b>	<b>2017</b>
Cash balance, beginning of year	\$ 1,584,487	\$ 1,486,858
Net contributions received	67,056	68,123
Interest earned	33,978	29,506
Cash balance, end of year	<u>\$ 1,685,521</u>	<u>\$ 1,584,487</u>

# Notes to the Consolidated Financial Statements

## 20. TAXATION AND OTHER LEVIES

In addition to levying and collecting real property tax for municipal purposes, the City is required to levy and collect taxes on behalf of other jurisdictions as noted below:

	2018	2017
Gross taxes levied on property	\$ 104,052,389	\$ 100,790,770
Taxes levied and collected on behalf of other jurisdictions		
Province of British Columbia - School Taxes	29,672,279	28,482,539
Metro Vancouver Regional District	1,010,407	866,483
BC Assessment Authority	975,298	929,274
South Coast British Columbia Transportation Authority	6,042,632	5,715,499
MFA	4,576	4,014
	37,705,192	35,997,809
Taxation	<u>\$ 66,347,197</u>	<u>\$ 64,792,961</u>

## 21. GOVERNMENT TRANSFERS

Included in contributions are the following government transfers:

	2018	2017
Federal	\$ 10,758,607	\$ 2,794,794
Provincial & Regional	2,956,645	3,269,910
	<u>\$ 13,715,252</u>	<u>\$ 6,064,704</u>

## 22. BUDGET INFORMATION

The budget information presented in these consolidated financial statements is based upon the 2018 Financial Plan Bylaw approved by City Council on April 10, 2018. The chart below reconciles the approved budget to the budget figure reported in these consolidated financial statements.

	Budget Amount
Revenue	\$ 116,453,000
Expenses	(94,665,900)
Annual surplus per consolidated statement of operations	21,787,100
Add:	
Amortization	12,000,000
Transfers from reserves	55,706,400
Cash from external borrowing	16,000,000
Less:	
Capital expenditures	(104,047,700)
Capital contributed by developers	(1,000,000)
Debt principal repayments	(445,800)
Approved budget	<u>\$ -</u>

# Notes to the Consolidated Financial Statements

## 23. OPERATIONS BY SEGMENT

The City provides a wide range of municipal services to its residents, businesses, industries, farms and other properties within its boundaries. The City's operations and activities are organized and reported by segments broadly based on departmental business units. The departments disclosed in the segmented information, along with the services they provide, are as follows:

### General Government:

**General:** Includes activities that are attributable to multiple segments.

**Corporate Support:** These support services include: communications and administrative services, corporate office and lands, bylaw services and information services.

**Finance:** Provides financial services to citizens, City departments and City Council including financial planning and systems, accounting services, revenue and collections, payroll, purchasing and risk management.

**Human Resources:** Provides specialized advice and assistance in all facets of people management including recruitment, labour relations, occupational health and safety, staff training and development, benefit administration, and wage and salary administration.

**Office of the CAO:** Oversees the implementation of the vision, plans and priorities by ensuring effective policies are in place and adhered to and by providing leadership that enables an engaged and productive municipal workforce.

*Please note: Note 21 spans two pages.*

REVENUE	General Government					
	General	Corporate Support	Finance	Human Resources	Office of the CAO	Engineering & Public Works
Taxation	\$ 66,182,981	\$ -	\$ -	\$ -	\$ -	\$ -
Utility charges	(111,017)	-	-	-	-	-
Sale of services	487,673	22,308	180,647	-	-	1,583,310
Contributions	496,727	14,816	683	-	-	12,846,830
Permits and licences	23,079	1,121,432	32,754	-	-	51,510
Investment income	3,618,483	-	-	-	-	-
Penalties and fines	298,824	22,455	-	-	-	-
Other revenue	470,053	177,584	62,466	-	-	252,343
Gain on disposals of tangible capital assets	-	-	-	-	-	-
	\$ 71,466,803	\$ 1,358,595	\$ 276,550	\$ -	\$ -	\$ 14,733,993
EXPENSES						
	General	Corporate Support	Finance	Human Resources	Office of the CAO	Engineering & Public Works
Personnel	\$ 3,979	\$ 3,051,069	\$ 2,233,009	\$ 857,556	\$ 371,732	\$ 7,428,969
Contracted and other services	254,217	1,147,613	174,495	264,468	-	1,767,038
Telephone, utilities and rent	60,606	21,815	-	349	-	689,276
Materials and supplies	122,299	92,765	18,727	5,717	263	1,959,290
Internal charges (recoveries)	(766,200)	(518,146)	(247,809)	19	193	(2,700,876)
Insurance and claims	732,571	-	-	-	-	218,658
Interest and bank charges	881,022	15,356	189	-	-	6,014
Grants and financial assistance	70,237	4,100	-	-	-	-
Amortization	96,117	365,493	-	-	-	7,264,210
Loss on disposals of tangible capital assets	-	(270,917)	-	-	-	768,666
	\$ 1,454,848	\$ 3,909,148	\$ 2,178,611	\$ 1,128,109	\$ 372,188	\$ 17,401,245
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ 70,011,955	\$ (2,550,553)	\$ (1,902,061)	\$ (1,128,109)	\$ (372,188)	\$ (2,667,252)

Metro Vancouver Regional District

# Notes to the Consolidated Financial Statements

**Engineering & Public Works:** Provides and maintains a number of essential municipal services and infrastructure including transportation, parks, trails, athletic fields, roads and drainage, environmental protection, management of the City's fleet and related engineering services.

**Recreation:** Delivery of recreation, sport, community and cultural programs, events and services, and the operation of recreation facilities.

**Police Services:** Is a shared service with the City of Coquitlam that protects the community from criminal activity and ensures public safety.

**Fire & Emergency Services:** Protects life, property and the environment through the provision of emergency response, inspections, code enforcement and public education.

**Development Services:** Ensures orderly and safe development within the City, including Planning, Building and Development Engineering services.

**Solid Waste Operations:** Includes curbside garbage, recycling and organics collection and glass collection from depot locations across the City.

**Water Operations:** The water utility is an essential service delivered by the City to its residents and businesses for the supply of high quality, potable water at flows and pressures suitable for fire protection.

**Sanitary Sewer Operations:** The sanitary sewer utility is an essential service provided by the City to its residents and businesses for the collection and disposal of liquid wastes.

Recreation	Police Services	Fire & Emergency Services	Development Services	Solid Waste Operations	Water Operations	Sanitary Sewer Operations	2018	2017
\$ -	\$ -	\$ -	\$ 164,216	\$ -	\$ -	\$ -	\$ 66,347,197	\$ 64,792,961
-	-	-	-	2,739,808	11,711,931	8,808,113	23,148,835	22,591,213
3,672,196	42,195	66,333	222,482	587,294	-	-	6,864,438	6,696,583
108,618	616,523	11,500	1,412,331	-	-	-	15,508,028	7,958,722
175	-	1,690	1,946,158	-	23,800	19,051	3,219,649	2,893,560
-	-	-	-	-	-	-	3,618,483	2,991,687
-	-	-	-	-	87,317	65,388	473,984	449,722
11,974	20,857	31,852	13,078	7,675	400	-	1,048,282	1,166,590
-	-	-	-	-	-	-	-	16,922,586
<b>\$ 3,792,963</b>	<b>\$ 679,575</b>	<b>\$ 111,375</b>	<b>\$ 3,758,265</b>	<b>\$ 3,334,777</b>	<b>\$ 11,823,448</b>	<b>\$ 8,892,552</b>	<b>\$ 120,228,896</b>	<b>\$ 126,463,624</b>
\$ 7,604,325	\$ -	\$ 10,952,273	\$ 2,793,167	\$ 975,097	\$ 633,201	\$ 268,815	\$ 37,173,192	\$ 36,314,960
3,202,642	14,615,764	423,197	341,786	1,190,552	7,042,465	5,397,934	35,822,171	34,207,422
725,242	-	55,241	223	1,191	38,201	83,422	1,675,566	1,689,127
728,726	-	191,949	7,816	35,299	145,604	44,100	3,352,555	3,346,630
(69,051)	-	197,064	43,990	1,508,205	1,321,105	1,231,506	-	-
2,551	-	-	-	-	-	-	953,780	1,123,119
146,077	-	-	14,589	-	-	-	1,063,247	1,065,111
222,273	-	-	-	-	-	-	296,610	216,366
541,266	64,839	406,316	-	-	1,563,372	892,533	11,194,146	11,449,554
-	-	-	-	-	93,929	4,741	596,419	-
<b>\$ 13,104,051</b>	<b>\$ 14,680,603</b>	<b>\$ 12,226,040</b>	<b>\$ 3,201,571</b>	<b>\$ 3,710,344</b>	<b>\$ 10,837,877</b>	<b>\$ 7,923,051</b>	<b>\$ 92,127,686</b>	<b>\$ 89,412,289</b>
<b>\$ (9,311,088)</b>	<b>\$ (14,001,028)</b>	<b>\$ (12,114,665)</b>	<b>\$ 556,694</b>	<b>\$ (375,567)</b>	<b>\$ 985,571</b>	<b>\$ 969,501</b>	<b>\$ 28,101,210</b>	<b>\$ 37,051,335</b>

Metro Vancouver Regional District

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To: Performance and Audit Committee

From: Dean Rear, Director – Financial Planning and Operations, Financial Services

Date: June 25, 2019 Meeting Date: July 4, 2019

Subject: **Township of Langley – Metro Vancouver Regional District Security Issuing Bylaw No. 1287, 2019**

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**RECOMMENDATION**

That the MVRD Board:

- a) pursuant to Sections 182(1)(b) and 182(2)(a) of the Community Charter, give consent to the request for financing from the Township of Langley in the amount of \$19,950,000;
  - b) give first, second and third reading to *Metro Vancouver Regional District Security Issuing Bylaw No. 1287, 2019* being a bylaw to authorize the entering into an Agreement respecting financing between the Metro Vancouver Regional District and the Municipal Finance Authority of British Columbia;
  - c) pass and finally adopt *Metro Vancouver Regional District Security Issuing Bylaw No. 1287, 2019*; and
  - d) forward *Metro Vancouver Regional District Security Issuing Bylaw No. 1287, 2019* to the Inspector of Municipalities for Certificate of Approval.
- 

**PURPOSE**

To consider the adoption of a Security Issuing Bylaw to authorize a borrowing request from the Township of Langley in the amount of \$19,950,000 for the Fall 2019 MFA long term debt issue.

**BACKGROUND**

This report is being brought forward to introduce *Metro Vancouver Security Issuing Bylaw No. 1287, 2019* and consider its adoption to authorize a borrowing request from the Township of Langley in the amount of \$19,950,000 for Construction of various facility capital works and various transportation capital works for inclusion in the Fall 2019 MFA long term debt issue.

**MUNICIPAL BORROWING REQUEST****Request Details**

Under provincial legislation, municipal borrowing requests must be approved by their respective council by way of Loan Authorization Bylaw and Security Issuing Resolution. Such borrowings must then be approved by the MVRD Board and included in a MVRD Security Issuing Bylaw to move forward. Upon approval, the request is then considered by the MFA.

All debt of the MVRD is a joint and several liability of its member municipalities.

The Township of Langley Council adopted Loan Authorization Bylaw 5346 on April 9, 2018 in the amount of \$7,000,000 for Construction of various facility capital works. These facility works specifically include increasing seating capacity, parking and audio visual improvements at the Langley

Events Centre along with repair and replacement of both natural and artificial playing surfaces at other locations.

The Township of Langley Council adopted Loan Authorization Bylaw 5347 on June 11, 2018 in the amount of \$12,950,000 for Construction of various transportation capital works. These transportation works include railway crossing safety improvement at approximately 28 locations to meet new standards from Transport Canada.

The Township subsequently passed the required Security Issuing Resolution on November 19, 2018 to borrow the full amount authorized by the bylaws.

The pertinent details of the bylaws are summarized as follows:

<b>MVRD Bylaw</b>	<b>Member</b>	<b>Member Bylaw</b>	<b>Purpose</b>	<b>Borrowing Request</b>	<b>Term</b>
<b>1287, 2017</b>	Township of Langley	5346	Construction of various facility capital works	\$7,000,000	20 years
<b>1287, 2017</b>	Township of Langley	5347	Construction of various transportation capital works	\$12,950,000	20 years
				\$19,950,000	

The loan authorization bylaws outlined above, have been reviewed by the Inspector of Municipalities and have received the necessary Certificate of Approvals. The certificates are attached to this report.

### **Financial Analysis**

Per the Liability Servicing Limit Certificate dated February 13, 2018 the Township of Langley had a liability servicing limit of approximately \$51,348,000. This limit represents the maximum amount, as prescribed by the Province, that the Township can annually pay for servicing debt. The estimated annual debt servicing costs proposed in this bylaw will be approximately \$1,317,000. When combined with existing debt servicing costs and expected future additional debt servicing the total will be approximately \$10,593,000 which is roughly 20.6% of the Township's liability servicing limit.

Additional information provided by the Township of Langley to assist in considering this request includes:

- a copy of their security issuing resolution
- the adopted Loan Authorization Bylaw (both 5346 and 5347) along with their Statutory and Certificate of Approval
- the 2019 – 2023 Financial Plan Bylaw which includes the appropriate anticipated debt servicing costs
- Liability Servicing Limit Certificate dated February 13, 2019
- 2018 Consolidated Financial Statements which includes a note summarizing outstanding debt (Note 9) and accumulated surplus and reserve balances (Note 11 and 12 respectively)

All of which are attached to this report.

## **ALTERNATIVES**

1. That the MVRD Board:
  - a) pursuant to Sections 182(1)(b) and 182(2)(a) of the Community Charter, give consent to the request for financing from the Township of Langley in the amount of \$19,950,000;
  - b) give first, second and third reading to *Metro Vancouver Regional District Security Issuing Bylaw No. 1287, 2019* being a bylaw to authorize the entering into an Agreement respecting financing between the Metro Vancouver Regional District and the Municipal Finance Authority of British Columbia;
  - c) pass and finally adopt *Metro Vancouver Regional District Security Issuing Bylaw No.1287, 2019*; and
  - d) forward *Metro Vancouver Regional District Security Issuing Bylaw No.1287, 2019* to the Inspector of Municipalities for Certificate of Approval.
2. That the MVRD Board receive for information the report dated June 13, 2019, titled “Township of Langley – *Metro Vancouver Regional District Security Issuing Bylaw No.1287, 2019*”.

## **FINANCIAL IMPLICATIONS**

Although all member debt is a joint and several liability of all member municipalities, there are no direct financial implications for Metro Vancouver with adoption of the bylaw.

If the Board approves Alternative 1, the Township of Langley will proceed to borrow \$19,950,000 to fund Construction of various facility capital works and various transportation capital works from the Municipal Finance Authority of BC.

Under Alternative 2, the Township of Langley would be unable to borrow funds as required for the purpose intended and would need to look for other funding sources, potentially causing undue financial challenges for the Township.

## **SUMMARY / CONCLUSION**

As set out in the Community Charter, the MVRD must adopt a security issuing bylaw in order to enable the Township of Langley to proceed with their borrowing request. In light of the joint and several liability of all member municipality debt, the review of borrowing requests is prudent given the role of the Regional District.

Staff recommends consenting to the Township of Langley’s borrowing and adopting the Security Issuing Bylaw as outlined in Alternative 1.

## **Attachments**

1. *Metro Vancouver Regional District Security Issuing Bylaw No.1287, 2019*
2. Township of Langley - Additional Information

29961769

**METRO VANCOUVER REGIONAL DISTRICT  
BYLAW NO. 1287, 2019**

**A bylaw to Authorize the Entering into a Financing Agreement with the Municipal Finance  
Authority of British Columbia in the Amount of \$19,950,000 (Canadian)**

WHEREAS the Municipal Finance Authority of British Columbia (the "Authority") may provide financing of capital requirements for Regional Districts or for their member municipalities by the issue of debentures or other evidence of indebtedness of the Authority and lending the proceeds therefrom to the Regional District on whose request the financing is undertaken;

AND WHEREAS the Township of Langley is a member municipality of the Metro Vancouver Regional District (the "Regional District");

AND WHEREAS the Regional District is to finance from time to time on behalf of and at the sole cost of the member municipalities, under the provisions of Section 410 (formerly section 824) of the *Local Government Act*, the works to be financed pursuant to the following loan authorization bylaw:

<b>Member Loan Authorization Bylaw Number</b>	<b>Purpose</b>	<b>Amount of Borrowing Authorized</b>	<b>Amount Already Borrowed</b>	<b>Borrowing Authority Remaining</b>	<b>Term of Issue</b>	<b>Amount of Issue</b>
5346	Construction of various facility capital works	\$7,000,000	\$0	\$7,000,000	20 years	\$7,000,000
5347	Construction of various transportation capital works	\$12,950,000	\$0	\$12,950,000	20 years	\$12,950,000
						\$19,950,000

AND WHEREAS the Regional Board, by this bylaw, hereby requests such financing shall be undertaken through the Authority:

NOW THEREFORE the Metro Vancouver Regional District Board of Directors enacts as follows:

1. The Regional Board hereby consents to financing the debt of the Township of Langley in the amount of nineteen million nine hundred fifty thousand dollars (\$19,950,000) in accordance with the following terms.
2. The Authority is hereby requested and authorized to finance from time to time the aforesaid undertakings at the sole cost and on behalf of the Regional District and its member municipalities up to, but not exceeding nineteen million nine hundred fifty thousand dollars (\$19,950,000) in lawful money of Canada (provided that the Regional District may borrow all or part of such amount in such currency as the Trustees of the Authority shall determine but the aggregate amount in lawful money of Canada and in Canadian Dollar equivalents so borrowed shall not exceed \$19,950,000 in Canadian Dollars) at such interest and with such discounts or premiums



and expenses as the Authority may deem appropriate in consideration of the market and economic conditions pertaining.

3. Upon completion by the Authority of financing undertaken pursuant hereto, the Chair and officer assigned the responsibility of financial administration of the Regional District, on behalf of the Regional District and under its seal shall, at such time or times as the Trustees of the Authority may request, enter into and deliver to the Authority one or more agreements, which said agreement or agreements shall be substantially in the form annexed hereto as Schedule "A" and made part of this bylaw (such Agreement or Agreements as may be entered into, delivered or substituted hereinafter referred to as the "Agreement") providing for payment by the Regional District to the Authority of the amounts required to meet the obligations of the Authority with respect to its borrowings undertaken pursuant hereto, which Agreement shall rank as debenture debt of the Regional District.
4. The Agreement in the form of Schedule "A" shall be dated and payable in the principal amount or amounts of monies and in Canadian dollars or as the Authority shall determine and subject to the Local Government Act, in such currency or currencies as shall be borrowed by the Authority under Section 1 and shall set out the schedule of repayment of the principal amount together with interest on unpaid amounts as shall be determined by the Treasurer of the Authority.
5. The obligation incurred under the said Agreement shall bear interest from a date specified therein, which date shall be determined by the Treasurer of the Authority, and shall bear interest at a rate to be determined by the Treasurer of the Authority.
6. The Agreement shall be sealed with the seal of the Regional District and shall bear the signature of the Chair and the officer assigned the responsibility of financial administration of the Regional District.
7. The obligations incurred under the said Agreement as to both principal and interest shall be payable at the Head Office of the Authority in Victoria and at such time or times as shall be determined by the Treasurer of the Authority.
8. During the currency of the obligation incurred under the said Agreement to secure borrowings in respect of Township of Langley Facility Capital Works Loan Authorization Bylaw 2018, No. 5346 and Township of Langley Transportation Capital Works Loan Authorization Bylaw 2018, 5347, there shall be requisitioned annually an amount sufficient to meet the annual payment of interest and the repayment of principal.
9. The Regional District shall provide and pay over to the Authority such sums as are required to discharge its obligations in accordance with the terms of the Agreement, provided, however, that if the sums provided for in the Agreement are not sufficient to meet the obligations of the Authority, any deficiency in meeting such obligations shall be a liability of the Regional District to the Authority and the Regional Board of the Regional District shall make due provision to discharge such liability.

10. The Regional District shall pay over to the Authority at such time or times as the Treasurer of the Authority so directs such sums as are required pursuant to section 15 of the *Municipal Finance Authority Act* to be paid into the Debt Reserve Fund established by the Authority in connection with the financing undertaken by the Authority on behalf of the Regional District pursuant to the Agreement.

This bylaw may be cited as "Metro Vancouver Regional District Security Issuing Bylaw No. 1287, 2019".

Read a first time this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Read a second time this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Read a third time this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Passed and finally adopted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

---

Sav Dhaliwal, Chair

---

Chris Plagnol, Corporate Officer

SCHEDULE A

C A N A D A

PROVINCE OF BRITISH COLUMBIA

A G R E E M E N T

**Metro Vancouver Regional District**

The Metro Vancouver Regional District (the "Regional District") hereby promises to pay to the Municipal Finance Authority of British Columbia at its Head Office in Victoria, British Columbia, (the "Authority") the sum of nineteen million nine hundred fifty thousand dollars (\$19,950,000) in lawful money of Canada, together with interest calculated semi-annually in each and every year during the currency of this Agreement; and payments shall be as specified in the table appearing below hereof commencing on the \_\_\_\_ day of \_\_\_\_\_, provided that in the event the payments of principal and interest hereunder are insufficient to satisfy the obligations of the Authority undertaken on behalf of the Regional District, the Regional District shall pay over to the Authority further sums as are sufficient to discharge the obligations of the Regional District to the Authority.

DATED at \_\_\_\_\_, British Columbia, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

IN TESTIMONY WHEREOF and under the authority of Bylaw No. 1287, 2019 cited as "Metro Vancouver Regional District Security Issuing Bylaw No. 1287, 2019". This Agreement is sealed with the Corporate Seal of the Metro Vancouver Regional District and signed by the Chair and the officer assigned the responsibility of financial administration thereof.

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Treasurer

Pursuant to the *Local Government Act*, I certify that this Agreement has been lawfully and validly made and issued and that its validity is not open to question on any ground whatever in any Court of the Province of British Columbia.

Dated \_\_\_\_\_, 20\_\_  
(month, day)

\_\_\_\_\_  
Inspector of Municipalities

PRINCIPAL AND/ OR SINKING FUND DEPOSIT AND INTEREST PAYMENTS

<u>Date of Payment</u>	Principal and/or Sinking Fund <u>Deposit</u>	<u>Interest</u>	<u>Total</u>
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____

**THE TOWNSHIP OF LANGLEY**

The following is a certified correct copy of a resolution passed by Langley Township Council at its Regular Evening Council Meeting held November 19, 2018:

**Temporary Borrowing Bylaws (Facility Capital Works and Transportation Capital Works) and Municipal Security Issuing Resolution**

**Bylaw No. 5423**

**Bylaw No. 5424**

**Report 18-149**

File FIN 1760-30

That Council approve borrowing from the Municipal Finance Authority of British Columbia (MFA), as part of a 2019 bond issue, \$7.0 million as authorized through Facility Capital Works Loan Authorization Bylaw 2018 No. 5346;

That Council approve borrowing from the Municipal Finance Authority of British Columbia (MFA), as part of a 2019 bond issue, \$12.95 million as authorized through Transportation Capital Works Loan Authorization Bylaw 2018 No. 5347;

That Metro Vancouver Regional District be requested to consent to our borrowing of \$7.0 million as authorized through Facility Capital Works Loan Authorization Bylaw 2018 No. 5346 over a twenty (20) year term and include the borrowing in their security issuing bylaw; and

That Metro Vancouver Regional District be requested to consent to our borrowing of \$12.95 million as authorized through Transportation Capital Works Loan Authorization Bylaw 2018 No. 5347 over a twenty (20) year term and include the borrowing in their security issuing bylaw.

**CARRIED**

CERTIFIED A CORRECT COPY:



Wendy Bauer, CMC  
TOWNSHIP CLERK

**THE CORPORATION OF THE TOWNSHIP OF LANGLEY**

**FACILITY CAPITAL WORKS LOAN AUTHORIZATION**

**BYLAW 2018 NO. 5346**

WHEREAS it is deemed desirable and expedient to construct various facility capital works servicing the Township of Langley.

AND WHEREAS the *Community Charter*, Section 179 authorizes local governments to borrow money for any purpose of a capital nature,

AND WHEREAS the estimated cost of constructing the various facility capital works including incidental thereto is greater than the sum of \$7.0 million (Seven million dollars) which is the amount of debt created by this bylaw.

NOW THEREFORE, the Council of the Corporation of the Township of Langley, in Open Meeting Assembled, ENACTS AS FOLLOWS:

1. This Bylaw may be cited for all purposes as "Facility Capital Works Loan Authorization Bylaw 2018 No. 5346".
2. The Council is hereby empowered and authorized to undertake and carry out or cause to be carried out the construction of the various facility capital works generally in accordance with general plans on file in the municipal office and to do all things necessary in connection therewith and without limiting the generality of the foregoing:
  - a. To borrow upon the credit of the Municipality a sum not exceeding \$7.0 million (Seven million dollars).
  - b. To acquire all such real property, easements, rights-of-way, licenses, rights or authorities as may be requisite or desirable for or in connection with construction of the said facility capital works.
3. The maximum term for which debentures may be issued to secure the debt created by this bylaw is 20 years.

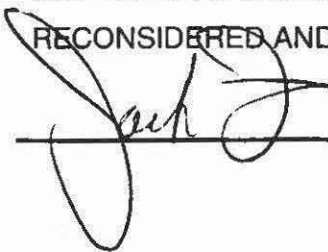
READ A FIRST TIME the 05 day of February , 2018

READ A SECOND TIME the 05 day of February , 2018



READ A THIRD TIME the 05 day of February , 2018

RECEIVED THE APPROVAL of the  
INSPECTOR of MUNICIPALITIES this 08 day of March , 2018

RECONSIDERED AND ADOPTED the 09 day of April , 2018



Mayor

  
TOWNSHIP CLERK  
"CERTIFIED A TRUE COPY OF  
THE ORIGINAL DOCUMENT WHICH  
DOES NOT APPEAR TO HAVE  
BEEN ALTERED IN ANY WAY"  
  
WENDY BAUER  
Township Clerk



# ***Statutory Approval***

***Under the provisions of sections*** \_\_\_\_\_ **179**

***of the*** \_\_\_\_\_ **Community Charter**

***I hereby approve Bylaw No.*** \_\_\_\_\_ **5346**

***of the*** \_\_\_\_\_ **Township of Langley** ,

***a copy of which is attached hereto.***

***Dated this***                      **8**                      ***day***  
***of***                      **March**                      ***, 2018***

**Deputy Inspector of Municipalities**





## *Certificate of Approval*

Under the authority of the *Local Government Act*, I certify that  
Bylaw No.5346, cited as the "Facility Capital Works Loan  
Authorization Bylaw 2018 No. 5346" of the Township of Langley  
has been lawfully and validly made and enacted, and that its  
validity is not open to question on any ground in any court of British  
Columbia.

*Dated this*                      22                      *day*  
   *of*                      August                      , 2018

*Deputy Inspector of Municipalities of British Columbia*



**THE CORPORATION OF THE TOWNSHIP OF LANGLEY**  
**TRANSPORTATION CAPITAL WORKS LOAN AUTHORIZATION**  
**BYLAW 2018 NO. 5347**

WHEREAS it is deemed desirable and expedient to construct various transportation capital works servicing the Township of Langley.

AND WHEREAS the *Community Charter*, Section 179 authorizes local governments to borrow money for any purpose of a capital nature.

AND WHEREAS the estimated cost of constructing the various transportation capital works including incidental thereto is greater than the sum of \$12.95 million (Twelve million nine-hundred fifty thousand dollars) which is the amount of debt created by this bylaw.

NOW THEREFORE, the Council of the Corporation of the Township of Langley, in Open Meeting Assembled, ENACTS AS FOLLOWS:

1. This Bylaw may be cited for all purposes as "Transportation Capital Works Loan Authorization Bylaw 2018 No. 5347".
2. The Council is hereby empowered and authorized to undertake and carry out or cause to be carried out the construction of the various transportation capital works generally in accordance with general plans on file in the municipal office and to do all things necessary in connection therewith and without limiting the generality of the foregoing:
  - a. To borrow upon the credit of the Municipality a sum not exceeding \$12,950,000 (Twelve million nine-hundred fifty thousand dollars).
  - b. To acquire all such real property, easements, rights-of-way, licenses, rights or authorities as may be requisite or desirable for or in connection with construction of the said transportation capital works.
3. The maximum term for which debentures may be issued to secure the debt created by this bylaw is 20 years.

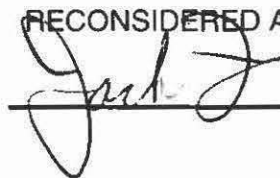
READ A FIRST TIME the 05 day of February, 2018

READ A SECOND TIME the 05 day of February, 2018

READ A THIRD TIME the 05 day of February, 2018

RECEIVED THE APPROVAL of the  
INSPECTOR of MUNICIPALITIES this 08 day of March, 2018

RECONSIDERED AND ADOPTED the 11 day of June, 2018



Mayor

**"CERTIFIED A TRUE COPY OF  
THE ORIGINAL DOCUMENT WHICH  
DOES NOT APPEAR TO HAVE  
BEEN ALTERED IN ANY WAY"**



**WENDY BAUER**

**Township Clerk**  
Metro Vancouver Regional District  
Township of Langley

Township Clerk



# ***Statutory Approval***

***Under the provisions of sections*** \_\_\_\_\_ **179**

***of the*** \_\_\_\_\_ **Community Charter**

***I hereby approve Bylaw No.*** \_\_\_\_\_ **5347**

***of the*** \_\_\_\_\_ **Township of Langley**,

***a copy of which is attached hereto.***

***Dated this***                      **8**                      ***day***  
***of***                      **March**                      ***, 2018***

**Deputy Inspector of Municipalities**



## *Certificate of Approval*

Under the authority of the *Local Government Act*, I certify that Bylaw No.5347, cited as the "Transportation Capital Works Loan Authorization Bylaw 2018 No.5347" of the Township of Langley has been lawfully and validly made and enacted, and that its validity is not open to question on any ground in any court of British Columbia.

Dated this                      22                      day  
   of                      August                      , 2018

A handwritten signature in black ink, appearing to be "JL", written over a horizontal line.

*Deputy Inspector of Municipalities of British Columbia*

## THE CORPORATION OF THE TOWNSHIP OF LANGLEY

### LANGLEY 2019 - 2023 FIVE-YEAR FINANCIAL PLAN BYLAW 2019 NO. 5455

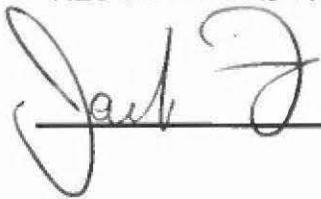
A bylaw to establish the Five-Year Financial Plan from 2019 to 2023.

WHEREAS Section 165 of the "*Community Charter*" requires that the Corporation of the Township of Langley adopt a Five-Year Financial Plan prior to approval of the Tax Rates Bylaw and May 15, 2019:

NOW THEREFORE, the Local Government Council of The Corporation of the Township of Langley, in Open Meeting Assembled, ENACTS AS FOLLOWS:

1. This bylaw may be cited for all purposes as the "Langley 2019 - 2023 Five-Year Financial Plan Bylaw 2019 No. 5455".
2. Schedule "A", being the Revenue Plan Objectives and Policies, attached hereto and forming part of this bylaw is hereby adopted as the 2019 – 2023 Five Year Financial Plan of The Corporation of the Township of Langley.
3. Schedule "B", being the Financial Plan, attached hereto and forming part of this bylaw is hereby adopted as the 2019 - 2023 Five Year Financial Plan of The Corporation of the Township of Langley.

READ A FIRST TIME the	11	day of	March	, 2019
READ A SECOND TIME the	11	day of	March	, 2019
READ A THIRD TIME the	11	day of	March	, 2019
RECONSIDERED AND ADOPTED the	01	day of	April	, 2019



Mayor



Township Clerk



**THE CORPORATION OF THE TOWNSHIP OF LANGLEY  
LANGLEY 2019 - 2023 FIVE YEAR FINANCIAL PLAN BYLAW 2019 NO. 5455  
SCHEDULE "A" – REVENUE PLAN OBJECTIVES AND POLICIES**

In accordance with the *Community Charter* disclosure requirements the Township of Langley discloses the following information.

1. The proportions of revenue proposed to come from the various funding sources;
2. The distribution of property taxes among property classes; and
3. The use of permissive tax exemptions.

**1. Proportion of total revenue from various funding sources**

<b>Revenue Source</b>	<b>Operating Budget Funding Sources</b>	<b>Capital Budget Funding Sources</b>
Property taxes	58%	3%
Sale of Service – Utilities	20%	1%
Sale of Service - Other	10%	0%
Other sources	10%	39%
Transfer from own funds	2%	46%
Proceeds from borrowing	0%	11%
<b>Total</b>	<b>100%</b>	<b>100%</b>

The proportion of total revenue to be raised from each funding source in 2019 is presented in the table above. Property taxes form the greatest proportion of operating revenue for the Township. Property taxes provide a stable and consistent source of revenue for many services that are difficult or undesirable to fund on a user-pay basis. These include services such as fire protection, policing services, transportation and so forth.

User fees and charges is the second largest portion of general operating revenue. Many Township services, such as water, sewer, and garbage collection are charged on a user-pay basis which ensures they are paid for by taxpayers receiving these services.

The capital program is only partially funded from General and Utility Funds revenues with the majority of funding coming from sources such as reserves and surplus, development cost charges receipts, senior government grants, local area service funds and, as a last resort, from debt financing.

## 2. Distribution of 2018 property taxes among the various property classes

Property Class	Property Class Description	Property tax Revenue %
1	Residential	62.57%
2	Utilities	0.99%
4	Major Industry	0.24%
5	Light Industry	9.90%
6	Business	25.55%
8	Recreation	0.18%
9	Farm	0.57%
	<b>Total</b>	<b>100.00%</b>

The distribution of property tax revenue among the various property classes is presented in the table above. The practice of Council has been to set tax rates in order to maintain reasonable tax stability in compliance with the *Community Charter*. This is accomplished by maintaining the proportionate relationship provided above between the property classes. (Property classes are defined and values determined by British Columbia Assessment).

## 3. Use of Permissive Tax Exemptions

The *Community Charter* provides municipalities the ability to grant permissive exemptions under Sections 244, 225 and 226. The Township's permissive exemption policy sets the parameters under which Council considers applications for permissive exemptions from property taxes from organizations which are eligible for such exemptions.

Permissive exemptions are granted for buildings used for public worship; not-for-profit and charitable organizations and community halls; and heritage properties. Council supports, through exemptions from property taxes, organizations which provide services that fulfill some basic need, improve the life of Township residents and are compatible with or are complementary to the services offered by the Township.

Council approved permissive tax exemptions for 2019 are estimated to be at approximately \$1,221,457 (2018: \$1,072,091) which is approximately equal to 96% of a 1.00% property tax revenue increase for 2019.

	Amount
Charitable and Not-For-Profit	\$557,041
Churches	\$641,913
Heritage Properties	\$22,503
<b>Total</b>	<b>\$1,221,457</b>

**THE CORPORATION OF THE TOWNSHIP OF LANGLEY  
LANGLEY 2019 - 2023 FIVE YEAR FINANCIAL PLAN BYLAW 2019 NO. 5455  
SCHEDULE "B" – FINANCIAL PLAN**

	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$
<b>REVENUE</b>					
<b>Operating Plan</b>					
Property Taxes and Levies	142,967,040	150,690,409	156,358,922	161,941,097	168,057,905
Sale of Services-Utilities	48,418,958	52,192,555	55,853,998	59,821,123	64,123,424
Sale of Services-Other	25,097,520	25,364,196	25,486,530	25,605,861	25,657,295
Other Revenue	25,008,043	25,262,524	25,515,716	25,854,191	26,168,922
Transfer from Surplus and Reserves	10,681,710	2,613,808	2,625,383	2,856,708	6,010,485
<b>Operating Plan Sub-total</b>	<b>252,173,271</b>	<b>256,123,491</b>	<b>265,840,549</b>	<b>276,078,980</b>	<b>290,018,031</b>
<b>Capital Plan</b>					
Contribution from Current Year Revenue	9,996,376	11,346,376	12,696,376	14,046,376	15,396,376
Transfer from Prior Year's Surplus	11,605,842	280,000	150,000	150,000	150,000
Transfer from Development Cost Charge Reserves	53,325,613	36,806,460	28,341,865	24,021,490	23,264,148
Transfer from Capital Surplus and Reserves	136,214,117	35,759,133	33,252,375	33,709,492	39,794,070
Private Funds and Other Sources	73,462,341	55,760,000	54,131,000	54,143,000	54,161,000
Proceeds From Borrowing	33,985,835	-	-	-	-
<b>Capital Plan Sub-Total</b>	<b>318,590,124</b>	<b>139,951,969</b>	<b>128,571,616</b>	<b>126,070,358</b>	<b>132,765,594</b>
<b>TOTAL FINANCIAL PLAN REVENUE</b>	<b>570,763,395</b>	<b>396,075,460</b>	<b>394,412,165</b>	<b>402,149,338</b>	<b>422,783,625</b>
<b>EXPENDITURE</b>					
<b>Operating Plan</b>					
Municipal Services	216,081,798	218,258,721	225,875,934	233,921,727	245,666,949
Debt Service	9,703,373	10,433,433	10,368,454	10,368,454	10,330,954
Contribution to Funds and Reserves	26,388,100	27,431,337	29,596,161	31,788,799	34,020,127
<b>Operating Plan Sub-Total</b>	<b>252,173,271</b>	<b>256,123,491</b>	<b>265,840,549</b>	<b>276,078,980</b>	<b>290,018,031</b>
<b>Capital Plan</b>	<b>318,590,124</b>	<b>139,951,969</b>	<b>128,571,616</b>	<b>126,070,358</b>	<b>132,765,594</b>
<b>TOTAL FINANCIAL PLAN EXPENDITURES</b>	<b>570,763,395</b>	<b>396,075,460</b>	<b>394,412,165</b>	<b>402,149,338</b>	<b>422,783,625</b>

# LIABILITY SERVICING LIMIT CERTIFICATE

The The Corporation of the Township of Langley (the "Municipality")  
In relation to Transportation Capital Works Loan Authorization Bylaw 2018 No.5347

The undersigned Financial Officer assigned responsibility for financial administration under section 149 of the Community Charter, SBC 2003, Chapter 26 (the "Charter") or Auditor appointed for the Municipality under section 169 of the Charter of the Charter hereby certifies as follows:

Calculation revenue for the previous year (section 4 & 5, BC Reg 254/2004)	<u>\$205,393,497.00</u> a
Liability Servicing Limit (a x 25%) (section 2, BC Reg 254/2004)	<u>\$51,348,374.25</u> b
Annual Servicing cost for previous year	<u>\$7,875,155.00</u> c

Plus: New liabilities incurred, other than current request

Liability Type and reference	Annual servicing cost
Agreement: Right to Purchase	<u>\$130,000.00</u> d
LA# 5232 208 St Overpass Widening	<u>\$805,073.00</u> e
LA# 5233 216St Interchange	<u>\$944,429.00</u> f
LA# 4919 East Langley Water Supply	<u>\$2,187,009.00</u> g
LA# 4920 Maple Ridge Pump Station	<u>\$457,488.00</u> h
Agreement: LFS Arena Dry Floor	<u>\$140,736.00</u> i
LA# 5346 Facility Capital Works	<u>\$492,890.05</u> j
	<u></u> k
	<u></u> l
Total of lines d through l	<u>\$5,157,625.05</u> m

Less: Liabilities which have matured

Liability type and reference	Annual servicing cost
Harkia Holdings	<u>\$2,000,000.00</u> n
Tasic Developments	<u>\$223,380.00</u> o
Picasso Homes	<u>\$148,920.00</u> p
Converted Temp Borrowing included in c	<u>\$419,000.00</u> q
Converted Unissued Debt included in c	<u>\$472,500.00</u> r
Total of lines n through r	<u>\$3,263,800.00</u> s
Amount of new liability (section 3, BC Reg 254/2004)	<u>\$13,079,500.00</u> t
Annual servicing cost of new liability (section 3, BC Reg 254/2004)	<u>\$911,846.60</u> u
Total liability servicing cost including current request (lines c+m-s+u)	<u>\$10,680,826.65</u> v

☒ which is less than the annual liability servicing limit stated on line b.

OR

☐ which exceeds the annual liability servicing limit stated on line b, and the undersigned hereby requests approval of the Inspector of Municipalities under section 174 of the Charter to exceed the limit established under the section.

In accordance with section 179(5) or section 175(1)(b) of the Charter, as applicable, the debt to be contracted under the loan authorization bylaw, or other liability for which certification is being made, referred to above will not exceed the lesser of 30 years and the reasonable life expectancy of the capital asset, activity, work or service, or the remaining term of the applicable agreement, as the case may be, for which the debt is to be contracted.

The undersigned Financial Officer or Auditor also hereby authorizes the law firms of Farris, Vaughan, Wills & Murphy and Bryant & Company to rely on this Certificate in giving any opinion in connection with any borrowing by the Municipal Finance Authority of British Columbia ("MFA") and the issuance of bonds, debentures, and other securities by the MFA in respect of the loan authorization bylaw, or other liability for which certification is being made, referred to above.

DATED this 13 day of February, 2018

  
Financial Officer

Samuel Nam  
(Please print full name)

OR

  
Auditor

(Please print full name & company)





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## INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Corporation of the Township of Langley

### **Opinion**

We have audited the consolidated financial statements of the Corporation of the Township of Langley (the "Township"), which comprise:

- the consolidated statement of financial position as at December 31, 2018
- the consolidated statement of operations for the year then ended
- the consolidated statement of net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes and schedules to the consolidated financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Township as at December 31, 2018, and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Township in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Township's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Township or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Township's financial reporting process.

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Township's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Township to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



Chartered Professional Accountants

Vancouver, Canada  
June 10, 2019

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# Consolidated Financial Statements

## 2018

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## Consolidated Statement of Financial Position

As at December 31, 2018 (in thousands of dollars)

	2018	2017
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents (Note 3)	\$ 88,536	\$ 46,989
Investments (Note 3)	194,145	237,372
Accounts receivable (Note 4)	49,580	46,501
Assets held for sale	4,247	483
	<u>336,508</u>	<u>331,345</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 5)	68,375	56,075
Deposits and prepayments (Note 6)	45,408	32,258
Deferred revenue (Note 7)	15,070	14,492
Development cost charges (Note 8)	40,659	46,528
Debt and agreements payable (Note 9)	111,501	107,708
	<u>281,013</u>	<u>257,061</u>
<b>NET FINANCIAL ASSETS</b>	<u>55,495</u>	<u>74,284</u>
<b>NON-FINANCIAL ASSETS</b>		
Inventories of supplies	1,467	1,272
Prepaid expenses	1,979	1,736
Tangible capital assets (Note 10)	1,594,916	1,421,885
	<u>1,598,362</u>	<u>1,424,893</u>
<b>ACCUMULATED SURPLUS (Note 11)</b>	<u>\$ 1,653,857</u>	<u>\$ 1,499,177</u>

Contingencies and commitments (Note 14)  
See accompanying Notes to the Consolidated Financial Statements

**Karen Sinclair, CPA, CGA**  
Director of Finance

**Jack Froese**  
Mayor, Township of Langley

## Consolidated Statement of Operations

For the year ended December 31, 2018 (in thousands of dollars)

	Budget 2018 (Note 2(a) and 20)	2018	2017
<b>REVENUE</b>			
Property taxes	\$ 133,000	\$ 131,855	\$ 125,985
Fees, rates and service charges	69,673	86,445	72,035
Grants and grants in lieu of taxes	20,013	14,642	14,045
Service cost recoveries	4,273	4,653	4,418
Gain on disposal of assets	-	10,494	969
Investment income	1,531	6,187	5,297
Local area service contributions	8,734	4,038	786
Contribution from development cost charges	57,577	25,138	19,939
Other developer contributions (Note 10(b))	35,537	108,827	30,197
Other income	22,448	7,603	5,533
	<u>352,786</u>	<u>399,882</u>	<u>279,204</u>
<b>EXPENSES</b>			
General government	25,924	25,614	24,163
Police protection	36,048	34,232	32,727
Fire protection	17,560	18,198	15,156
Facilities maintenance	11,913	10,468	9,228
Community planning and development	11,212	9,141	8,591
Recreation and culture	27,998	31,303	25,465
Parks	12,558	16,129	13,973
Transportation	29,765	45,547	37,065
Stormwater	6,005	9,031	8,979
Water	22,249	24,987	18,141
Sewer	12,721	14,115	14,726
Solid waste	6,305	6,437	5,828
	<u>220,258</u>	<u>245,202</u>	<u>214,042</u>
<b>ANNUAL SURPLUS</b>	132,528	154,680	65,162
<b>ACCUMULATED SURPLUS, beginning of year</b>	<u>1,499,177</u>	<u>1,499,177</u>	<u>1,434,015</u>
<b>ACCUMULATED SURPLUS, end of year</b>	<u>\$ 1,631,705</u>	<u>\$ 1,653,857</u>	<u>\$ 1,499,177</u>

See accompanying Notes to the Consolidated Financial Statements

## Consolidated Statement of Change in Net Financial Assets

For the year ended December 31, 2018 (in thousands of dollars)

	Budget 2018 (Note 2(a) and 20)	2018	2017
<b>ANNUAL SURPLUS</b>	\$ 132,528	\$ 154,680	\$ 65,162
Acquisition of tangible capital assets	(308,972)	(119,207)	(79,316)
Developer contributed tangible capital assets	(35,537)	(108,340)	(29,753)
Reclassification of land held for resale	-	3,800	188
Amortization of tangible capital assets	-	35,295	33,972
Gain on disposal of tangible capital assets	-	(7,960)	(582)
Proceeds on disposal of tangible capital assets	-	23,381	1,565
	<u>(211,981)</u>	<u>(18,351)</u>	<u>(8,764)</u>
Acquisition of inventories of supplies	(900)	(1,467)	(1,272)
Acquisition of prepaid expenses	(1,322)	(1,979)	(1,736)
Consumption of inventories of supplies	900	1,272	879
Use of prepaid expenses	1,322	1,736	1,531
	<u>-</u>	<u>(438)</u>	<u>(598)</u>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	(211,981)	(18,789)	(9,362)
<b>NET FINANCIAL ASSETS, beginning of year</b>	<u>74,284</u>	<u>74,284</u>	<u>83,646</u>
<b>NET FINANCIAL ASSETS, end of year</b>	\$ <u><u>(137,697)</u></u>	\$ <u><u>55,495</u></u>	\$ <u><u>74,284</u></u>

See accompanying Notes to the Consolidated Financial Statements

## Consolidated Statement of Cash Flows

For the year ended December 31, 2018 (in thousands of dollars)

	2018	2017
<b>CASH PROVIDED BY (USED IN)</b>		
<b>OPERATING ACTIVITIES</b>		
Annual surplus	\$ 154,680	\$ 65,162
Items not involving cash:		
Amortization of tangible capital assets	35,295	33,972
Gain on disposal of tangible capital assets	(7,960)	(582)
Developer contributed tangible capital assets	(108,340)	(29,753)
Change in non-cash operating working capital:		
Accounts receivable	(3,079)	(7,557)
Assets held for sale	36	2,348
Accounts payable and accrued liabilities	12,300	15,178
Deposits and prepayments	13,150	6,412
Deferred revenue	578	(248)
Development cost charges	(5,869)	2,727
Inventories of supplies	(195)	(393)
Prepaid expenses	(243)	(205)
Net change in cash from operating activities	<u>90,353</u>	<u>87,061</u>
<b>CAPITAL ACTIVITIES</b>		
Cash used to acquire tangible capital assets	(119,207)	(79,316)
Proceeds on disposal of tangible capital assets	<u>23,381</u>	<u>1,565</u>
Net change in cash from capital activities	<u>(95,826)</u>	<u>(77,751)</u>
<b>FINANCING ACTIVITIES</b>		
Issuance of debt and agreements payable	11,000	33,329
Repayment of debt and agreements payable	<u>(7,207)</u>	<u>(2,868)</u>
Net change in cash from financing activities	<u>3,793</u>	<u>30,461</u>
<b>INVESTING ACTIVITIES</b>		
Change in investments	<u>43,227</u>	<u>(14,098)</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>41,547</u>	<u>25,673</u>
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<u>46,989</u>	<u>21,316</u>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<u>\$ 88,536</u>	<u>\$ 46,989</u>

See accompanying Notes to the Consolidated Financial Statements





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## Notes to the Consolidated Financial Statements

For the year 2018

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## Notes to the Consolidated Financial Statements

For the year ended December 31, 2018 (*in thousands of dollars*)

Notes to the consolidated financial statements are an integral part of the statements and explain significant accounting policies and principles underlying the statements. They also provide relevant supplementary information and explanations.

### 1. OPERATIONS

The Corporation of the Township of Langley (the “Township”) is incorporated under the Local Government Act of British Columbia. The Township’s principal activities include the provision of local government services to residents and businesses in the Township of Langley. These services include administrative, protective, transportation, recreational, parks, library, water, sewer, stormwater, solid waste disposal, and recycling. General resources and operations of the Township are segregated into operating, capital, and reserve funds. The Community Charter of British Columbia requires revenue and expenses to be in accordance with the five-year financial plan adopted annually by Council. The budget for each year of the plan must be balanced so that annual expenses do not exceed the total of revenue, transfers from reserves and surplus, and proceeds from debt.

### 2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Township are prepared in accordance with Public Sector Accounting Standards as prescribed by the Public Sector Accounting Board (“PSAB”) of the Chartered Professional Accountants of Canada.

#### a) Basis of Consolidation

The consolidated financial statements include the Township’s Operating, Capital and Reserve Funds consolidated with Langley Facilities Society (the “Society”), Bedford House Rehabilitation Society (“Bedford House”), and Langley Parks and Recreation Foundation (the “Foundation”).

The Society, which is wholly-controlled by the Township, was incorporated on March 12, 2009, and was formed to operate the Langley Events Centre and other Township facilities. Other purposes of the Society include promotion and/or sponsorship of educational, recreational, heritage, cultural, airport operations and assisted housing activities and events within the Township of Langley.

Ten Feet Sports and Entertainment Ltd (“TFSE”), a wholly-owned subsidiary of the Society, was incorporated on April 26, 2010. The purpose of TFSE is to operate the Langley Events Centre and facilitate other events throughout the community.

The University District Housing Society (“UDHS”), which is wholly-controlled by the Society, was incorporated on September 17, 2018, and was formed to assist with the application for funding from other levels of government. To date, UDHS is inactive and has had no interfund and/or inter-entity transactions, fund balances or activities.

Bedford House, which is wholly-controlled by the Township, was incorporated on January 23, 2017 and was formed to preserve the heritage elements of the building formerly known as the Bedford House Restaurant in Fort Langley, in particular the Jacob Haldi House, through the restoration of the buildings in the current location of the Bedford House Restaurant, in the vicinity thereof, or otherwise within the Township of Langley. Another purpose of this society is to advocate for the preservation and maintenance of historically significant buildings in local communities. Bedford House has had no interfund and/or inter-entity transactions, fund balances or activities.

The Foundation, which is wholly-controlled by the Township, was registered as a foundation under the Society Act (British Columbia) on September 14, 1979. The purpose of the Foundation is to solicit and receive gifts and requests, to raise money to be used for public parks, recreation facilities, promote capital projects, and supplement maintenance programs. The Foundation is inactive and has had no interfund and/or inter-entity transactions, fund balances or activities.

#### Budget Reporting

The budget information presented in the consolidated financial statements reflects the 2018 budget component of the Township’s 2018 – 2022 Five-Year Financial Plan adopted by Council Bylaw No. 5342 on February 19, 2018. The operating budgets of all consolidated entities are also reflected in the total budget figures for the year.

#### Operating Funds

These funds include the General, Parks, Transportation, Stormwater, Water, Sewer, and Solid Waste Operating Funds. They are used to record the operating costs of services provided by the Township.

#### Capital Funds

These funds include the General, Parks, Transportation, Stormwater, Water, and Sewer Capital Funds. They are used to record acquisition costs of tangible and non-tangible capital assets.

#### Reserve Funds

Under the Community Charter, Township Council may, by bylaw, establish reserve funds for specified purposes. Money in a reserve fund, and interest earned thereon, must be expended by bylaw only for the purposes for which the fund was established. If the amount in a reserve is greater than required, Township Council may, by bylaw, transfer all or part of the amount to another reserve.

**Trust Funds**

These funds account for assets which must be administered as directed by agreement or statute for certain beneficiaries. In accordance with PSAB recommendations on financial statement presentation for local governments, trust funds are not included in the Township's consolidated financial statements. Trust funds administered by the Township are presented in Note 19.

- Base	75-100
- Surface	20-40
Stormwater infrastructure	40-100
Water infrastructure	15-78
Sewer infrastructure	41-78

Gravel pits are treated as land and as such are not amortized.

Tangible capital assets are amortized in the year the asset is acquired or constructed and/or in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

**ii) Contributions of tangible capital assets**

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and the fair value of contributions are recorded as revenue at the date of receipt.

**iii) Natural resources**

Natural resources that have not been purchased are not recognized as assets in the consolidated financial statements.

**iv) Works of art and cultural and historic assets**

Works of art and cultural and historic assets are not recorded as assets in the consolidated financial statements.

**v) Interest capitalization**

The Township does not capitalize interest costs associated with acquisition or construction of a tangible capital asset.

**vi) Inventories of supplies**

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost.

**g) Deferred revenue**

Deferred revenues represent licenses, permits, and other fees collected, but related services or inspections have yet to be performed. Revenue will be recognized in the fiscal year the services are performed.

**h) Government Transfers**

Restricted transfers from governments are deferred and recognized as revenue as related expenditures are incurred or the stipulations in the related agreement are met. Unrestricted transfers are recognized as revenue when received or if the amount to be received can be reasonably estimated and collection is reasonably assured.

**i) Employee Future Benefits**

The Township and its employees contribute to the Municipal Pension Plan. These contributions are expensed as incurred. Sick leave and post-employment benefits accrue to some Township employees. Accrued liabilities related to sick leave benefits are estimated based on actuarial calculations.

**b) Basis of Accounting**

The Township follows the accrual method of accounting for revenue and expenses. Revenue is recognized in the year in which it is earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods and services and/or the creation of a legal obligation to pay.

**c) Cash and Cash Equivalents**

Cash and cash equivalents consist of cash, highly liquid money market investments, and short-term deposits with maturities of less than 90 days at acquisition.

**d) Investments**

Investments are carried at cost which approximates market value and are comprised of money market investments and bonds issued by Canadian Chartered Banks, Credit Unions, and/or government authorities. Most investments are held to maturity and temporary losses or gains in value are not recognized in the consolidated financial statements. Investments are written down if there is an 'other than temporary' decline in value.

**e) Assets Held for Sale**

Assets held for sale include properties which are ready and available to be sold and for which there is a market. They are valued at the lower of cost or expected net realizable value.

**f) Non-Financial Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

**i) Tangible Capital Assets**

Tangible capital assets are recorded at cost which includes amounts directly attributable to acquisition, construction, development, or betterment of the asset. The costs of tangible capital assets are amortized on a straight line basis over their estimated useful lives as follows:

<b>Assets</b>	<b>Useful Life (Years)</b>
Land improvements	20-100
Building and building improvements	10-60
Vehicles	8-25
Machinery and equipment	4-30
Roads infrastructure:	

of years of service, retirement ages, and expected future salary and wage increases. These liabilities are accrued based on projected benefits as employees render qualifying years of service. Other post-employment benefit liabilities are recognized as a liability and expensed in the period when the event occurs that obligates the Township to provide the benefit.

#### j) Debt and Agreements Payable

Municipal Finance Authority (“MFA”) debt is recorded net of related sinking fund balances. Interest on debt is recorded on an accrual basis. Land acquisition and development agreement debt is valued using a present value calculation of total future payments using a discount percentage that approximates the cost of borrowing through the MFA.

#### k) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic, radioactive material or live organism that exceeds an environmental standard. Liabilities are recorded net of any expected recoveries.

A liability for remediation of contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- i) An environmental standard exists;
- ii) Contamination exceeds environmental standards;
- iii) The Township is directly responsible or accepts responsibility;
- iv) It is expected that future economic benefits will be given up and
- v) A reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance, and monitoring that are an integral part of the remediation strategy for a contaminated site.

#### l) Use of Estimates

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect amounts reported, including post-employment benefits, allowance for doubtful receivables, fair value of developer contributions of tangible capital assets, useful lives of tangible capital assets, provision for contingencies, liability for contaminated sites, and future payments under land acquisition agreements. Revised estimates may be required, and adjustments will be made in the period that a change in estimate is made. Actual results could differ from estimates, and adjustments will be made in the year of final determination.

#### m) Segmented Information

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. Financial information is presented in segmented format in Note 21.

### 3. CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash and cash equivalents are recorded at cost of \$88,536 (2017 - \$46,989).

Investments with an initial maturity beyond three months are recorded at an amortized cost of \$194,145 with a market value of \$193,274 (2017 - amortized cost of \$237,372 with a market value of \$237,684).

Investments maturing within one year of December 31, 2018 have interest rates ranging from 1.90% to 2.95%; within two to four years have interest rates ranging from 1.90% to 3.40%; within five to seven years have interest rates ranging from 2.50 % to 3.37% and within eight to ten years have interest rates ranging from 2.85% to 2.87%

The following amounts are exclusive of Cemetery Funds (Note 19).

	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 88,536	\$ 46,989
Investments	<u>194,145</u>	<u>237,372</u>
	<u>\$ 282,681</u>	<u>\$ 284,361</u>

### 4. ACCOUNTS RECEIVABLE

	<u>2018</u>	<u>2017</u>
Taxes	\$ 5,946	\$ 4,992
Federal Government	2,814	7,835
Provincial Government	89	126
Municipal Finance Authority	1,164	1,133
Other local governments	2,180	125
Other accounts	7,135	4,863
Accrued interest and others	5,190	4,761
Recoverable work in progress	2,532	1,630
Receivables secured letters of credit (a)	11,835	13,873
Local Area Service levies receivable (b)	<u>10,695</u>	<u>7,163</u>
	<u>\$ 49,580</u>	<u>\$ 46,501</u>

- a) Receivables secured letters of credit balance represents non-interest bearing securities for Development Cost Charge ("DCC") amounts due from developers within two years. Monies collected upon negotiation of the letters of credit are restricted and can only be expended for DCC purposes (Note 8).
- b) Local Area Service levies receivable balance represents amounts due from property owners for specific local improvement projects in their neighborhood. Amounts realized upon collection of these receivables are restricted to repayment of Local Area Service loan balances outstanding.

### 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2018</u>	<u>2017</u>
Trade and other liabilities	\$ 55,600	\$ 44,845
Payroll liabilities	6,248	5,573
Employee future benefits (Note 17)	5,442	4,956
Collections for other authorities	<u>1,085</u>	<u>701</u>
	<u>\$ 68,375</u>	<u>\$ 56,075</u>

**6. DEPOSITS AND PREPAYMENTS**

The Township holds cash deposits as security to ensure the satisfactory completion of works and other obligations. The Township also encourages prepayment of property taxes and pays interest at rates prescribed by the provincial government.

	<u>2018</u>	<u>2017</u>
Cash deposits held as security	\$ 29,496	\$ 17,382
Prepaid property tax	15,912	14,876
	<u>\$ 45,408</u>	<u>\$ 32,258</u>

The Township also holds irrevocable letters of credit in the amount of \$81,475 (2017 - \$74,012) as security to ensure satisfactory completion of works within the Township. These letters of credit amounts are not reflected in the consolidated financial statements.

**7. DEFERRED REVENUE**

	<u>2018</u>	<u>2017</u>
Future works deposit	\$ 7,190	\$ 6,756
South Coast British Columbia Transportation Authority	909	-
Government grant	37	102
Langley School Board contribution	1,550	1,700
Trinity Western University contribution	1,808	1,983
Other	3,576	3,951
	<u>\$ 15,070</u>	<u>\$ 14,492</u>

**8. DEVELOPMENT COST CHARGES**

DCC are collected from developers to contribute to capital costs associated with development. In accordance with the Local Government Act, these funds must be deposited into a separate DCC Reserve Fund. DCC amounts collected are deferred and recognized as revenue in the year that related costs are incurred.

	<u>2018</u>	<u>2017</u>
Roads	\$ 18,571	\$ 22,832
Drainage	4,557	4,246
Park Land/Development	3,347	4,254
Water	10,972	11,279
Sewer	3,212	3,917
	<u>\$ 40,659</u>	<u>\$ 46,528</u>
Beginning of year	\$ 46,528	\$ 43,801
Expenditures in Operating	(3,968)	(3,908)
Expenditures in Capital	(21,169)	(16,031)
Receipts	18,632	22,038
Interest	636	628
End of year	<u>\$ 40,659</u>	<u>\$ 46,528</u>

Investment in DCC consists of restricted investments as well as restricted accounts receivable.

Investments	\$ 28,824	\$ 32,655
Receivables secured letters of credit (Note 4)	11,835	13,873
	<u>\$ 40,659</u>	<u>\$ 46,528</u>

**9. DEBT AND AGREEMENTS PAYABLE**

		<u>2018</u>	<u>2017</u>
MFA debt, net of sinking fund deposits	a) \$	<b>88,066</b>	\$ 92,196
Agreements payable	b)	<b>12,185</b>	15,262
Temporary borrowings	c)	<b>11,250</b>	250
	\$	<u><b>111,501</b></u>	<u>\$ 107,708</u>

Estimated future payments on debt and agreements payable for the next five years and thereafter are:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
<b>2019</b>	5,861	4,254	10,115
<b>2020</b>	6,027	4,211	10,238
<b>2021</b>	6,106	3,819	9,925
<b>2022</b>	6,137	3,771	9,908
<b>2023</b>	6,222	3,723	9,945
<b>Thereafter</b>	81,148		
	<u><b>\$ 111,501</b></u>		

**a) MFA Debt**

The Township obtains debt instruments through the MFA pursuant to security issuing bylaws under authority of the Community Charter to finance certain expenditures. Sinking fund balances managed by MFA are netted against related debt.

	Interest Rate	Gross Debt Outstanding	Sinking Fund Balance	Net Debt <b>2018</b>	2017
Stormwater, Bylaw 4752, due 2030	4.50%	\$ 1,800	\$ 557	\$ <b>1,243</b>	\$ 1,323
Stormwater, Bylaw 4829, due 2031	4.20%	2,292	608	<b>1,684</b>	1,781
Water, Bylaw 3950, due 2020	2.10%	1,200	1,025	<b>175</b>	257
Water, Bylaw 4919, due 2037	2.80%	33,535	1,248	<b>32,287</b>	33,535
Water, Bylaw 4920, due 2037	2.80%	7,015	261	<b>6,754</b>	7,015
General, Bylaw 4455, due 2027	4.82%	3,250	1,472	<b>1,778</b>	1,940
General, Bylaw 4556, due 2027	4.82%	11,000	4,982	<b>6,018</b>	6,565
Sewer, Bylaw 4750, due 2030	4.50%	8,500	2630	<b>5,870</b>	6,246
Transportation, Bylaw 4751, due 2035	2.20%	8,700	956	<b>7,744</b>	8,074
Transportation, Bylaw 5232, due 2037	3.15%	11,716	436	<b>11,280</b>	11,716
Transportation, Bylaw 5233, due 2037	3.15%	13,744	511	<b>13,233</b>	13,744
<b>b) Agreements payable</b>		<u>\$ 102,752</u>	<u>\$ 14,686</u>	<u>\$ <b>88,066</b></u>	<u>\$ 92,196</u>

Parkland, due 2018	-	1,868
Parkland, due 2026	<b>827</b>	954
Recreation facility, due 2029	<b>10,940</b>	11,940
Recreation facility, due 2022	<b>418</b>	500
	<u>\$ <b>12,185</b></u>	<u>\$ 15,262</u>

**c) Temporary borrowings**

As at December 31, 2018, the Township has secured temporary financing of \$11,250 (2017 - \$250) from the MFA for transportation capital projects (\$4,250) and facility capital works (\$7,000) to be paid over 20 years pending the issuance of debt instruments through the MFA pursuant to security issuing bylaws in 2019. The variable annual interest rate as at December 31, 2018 was 2.80% (2017 - 1.94%).



**10. TANGIBLE CAPITAL ASSETS**

<b>Cost</b>	Balance at December 31 2017	Additions (net of transfers)	Disposals and Reclass of Land Held for Resale	Balance at December 31 2018
Land and improvements	\$ 540,170	\$ 127,386	\$ 17,024	\$ 650,532
Building and building improvements	162,828	53,031	2,355	213,504
Vehicles, machinery and equipment	55,090	7,514	3,471	59,133
Parks infrastructure	87,062	4,838	2,520	89,380
Information technology	12,544	688	282	12,950
Roads	480,859	30,754	335	511,278
Stormwater	249,132	7,059	399	255,792
Sewer	134,210	3,257	130	137,337
Water	216,752	5,428	133	222,047
Assets under construction	55,918	(12,408)	-	43,510
<b>Total</b>	<b>\$ 1,994,565</b>	<b>\$ 227,547</b>	<b>\$ 26,649</b>	<b>\$ 2,195,463</b>

<b>Accumulated amortization</b>	Balance at December 31 2017	Amortization	Accumulated Amortization on Disposals	Balance at December 31 2018
Land and improvements	\$ 1,835	\$ 138	\$ 8	\$ 1,965
Building and building improvements	70,928	5,687	1,676	74,939
Vehicles, machinery and equipment	32,845	3,294	3,398	32,741
Parks infrastructure	45,982	3,473	1,543	47,912
Information technology	8,753	835	272	9,316
Roads	232,296	12,156	236	244,216
Stormwater	74,176	3,901	187	77,890
Sewer	34,964	2,113	49	37,028
Water	70,901	3,698	59	74,540
<b>Total</b>	<b>\$ 572,680</b>	<b>\$ 35,295</b>	<b>\$ 7,428</b>	<b>\$ 600,547</b>

<b>Net book value</b>	Net Book Value December 31 2017	Net Book Value December 31 2018
Land and improvements	\$ 538,335	\$ 648,567
Building and building improvements	91,900	138,565
Vehicles, machinery and equipment	22,245	26,392
Parks infrastructure	41,080	41,468
Information technology	3,791	3,634
Roads	248,563	267,062
Stormwater	174,956	177,902
Sewer	99,246	100,309
Water	145,851	147,507
Assets under construction	55,918	43,510
<b>Total</b>	<b>\$ 1,421,885</b>	<b>\$ 1,594,916</b>

<b>Cost</b>	Balance at December 31 2016	Additions (net of transfers)	Disposals and Reclass of Land Held for Resale	Balance at December 31 2017
Land and improvements	\$ 515,163	\$ 25,447	\$ 440	\$ 540,170
Building and building improvements	159,594	3,879	645	162,828
Vehicles, machinery and equipment	53,592	1,993	495	55,090
Parks infrastructure	80,290	6,772	-	87,062
Information technology	10,137	2,428	21	12,544
Roads	468,729	12,130	-	480,859
Stormwater	238,876	10,641	385	249,132
Sewer	131,675	2,562	27	134,210
Water	212,900	4,139	287	216,752
Assets under construction	16,840	39,078	-	55,918
<b>Total</b>	<b>\$ 1,887,796</b>	<b>\$ 109,069</b>	<b>\$ 2,300</b>	<b>\$ 1,994,565</b>

<b>Accumulated amortization</b>	Balance at December 31 2016	Amortization	Accumulated Amortization on Disposals	Balance at December 31 2017
Land and improvements	\$ 1,724	\$ 118	\$ 7	\$ 1,835
Building and building improvements	66,037	5,112	221	70,928
Vehicles, machinery and equipment	30,048	3,293	496	32,845
Parks infrastructure	42,637	3,345	-	45,982
Information technology	7,990	784	21	8,753
Roads	220,504	11,792	-	232,296
Stormwater	70,527	3,799	150	74,176
Sewer	32,900	2,081	17	34,964
Water	67,470	3,648	217	70,901
<b>Total</b>	<b>\$ 539,837</b>	<b>\$ 33,972</b>	<b>\$ 1,129</b>	<b>\$ 572,680</b>

<b>Net book value</b>	Net Book Value December 31 2016	Net Book Value December 31 2017
Land and improvements	\$ 513,439	\$ 538,335
Building and building improvements	93,557	91,900
Vehicles, machinery and equipment	23,544	22,245
Parks infrastructure	37,653	41,080
Information technology	2,147	3,791
Roads	248,225	248,563
Stormwater	168,349	174,956
Sewer	98,775	99,246
Water	145,430	145,851
Assets under construction	16,840	55,918
<b>Total</b>	<b>\$ 1,347,959</b>	<b>\$ 1,421,885</b>

## a) Assets under construction

Assets under construction having a value of \$43,510 (2017 - \$55,918) have not been amortized. Amortization of these assets will commence when the asset is available for productive use.

## b) Other Developer Contributions

Other developer contributions include contributed tangible capital assets and non-refundable deposit contributions used to fund capital. Contributed tangible capital assets have been recognized at fair market value at the date of contribution. Other developer contributions received during the year are as follows:

	<u>2018</u>	<u>2017</u>
Land and improvements	\$ 100,026	\$ 11,560
Road infrastructure	5,012	10,029
Parks infrastructure	479	150
Stormwater infrastructure	1,531	4,306
Water infrastructure	844	1,948
Sewer infrastructure	544	2,204
Buildings infrastructure	391	-
<b>Total</b>	<b>\$ 108,827</b>	<b>\$ 30,197</b>
Developer contributed tangible capital assets	\$ 108,340	\$ 29,753
Non-refundable deposit contributions to tangible capital assets	487	444
<b>Total</b>	<b>\$ 108,827</b>	<b>\$ 30,197</b>

## c) Works of Art and Historical Treasures

The Township manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings, and sculptures located at Township sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

## d) Write-down of Tangible Capital Assets

There was no write-down of tangible capital assets during the year (2017 - nil).

## 11. ACCUMULATED SURPLUS

Accumulated surplus consists of individual fund surplus, reserves and reserve funds as follows:

	<u>Operating Funds</u>	<u>Capital Funds</u>	<u>Statutory Reserve Funds (Note 12)</u>	<u>Investment in Tangible Capital Assets (Note 13)</u>	<u>Total</u>
General Fund	\$ 41,587	\$ 6,003	\$ -	\$ 665,898	\$ 713,488
Parks Utility	31,776	1,622	-	174,382	207,780
Transportation Utility	4,528	2,466	-	263,890	270,884
Stormwater Utility	(165)	3,018	-	176,807	179,660
Solid Waste	972	62	-	85	1,119
Sewer Utility	3,224	1,049	-	95,483	99,756
Water Utility	5,053	4,305	-	118,521	127,879
Statutory Reserve Funds	-	-	53,291	-	53,291
<b>Total for 2018</b>	<b>\$ 86,975</b>	<b>\$ 18,525</b>	<b>\$ 53,291</b>	<b>\$ 1,495,066</b>	<b>\$ 1,653,857</b>
<b>Total for 2017</b>	<b>\$ 75,874</b>	<b>\$ 18,919</b>	<b>\$ 69,856</b>	<b>\$ 1,334,528</b>	<b>\$ 1,499,177</b>

## 12. STATUTORY RESERVE FUNDS

Statutory reserve funds are used for the replacement or improvement of capital assets. The Local Area Service Reserve Fund is used to fund upfront costs of capital improvement projects initiated by property owners or Council and is repayable with interest by the property owners.

	<u>2018</u>	<u>2017</u>
General Capital	\$ 527	\$ 605
Stormwater Capital	1,234	311
Sewer Capital	19,060	17,603
Water Capital	27,569	25,500
Infrastructure Renewal & Replacement	1,274	1,916
Fire Equipment Capital	2,097	5,237
Land Capital Reserve – (deficit)	(32,002)	(17,562)
Parkland Reserve	8,041	7,994
Tax Sale Land	253	248
Local Area Service	15,456	12,329
Off-Street Parking	13	13
Debt Retirement	9,769	15,662
	<u>\$ 53,291</u>	<u>\$ 69,856</u>
Reserve funds, beginning of year	\$ 69,856	\$ 48,073
Contribution from operations	11,905	41,722
Other revenue and contributions	24,906	6,302
Interest allocated	1,873	1,096
Used for capital and operating expenses	(55,249)	(27,337)
<b>Reserve funds, end of year</b>	<b><u>\$ 53,291</u></b>	<b><u>\$ 69,856</u></b>

## 13. INVESTMENT IN TANGIBLE CAPITAL ASSETS

	<u>2018</u>	<u>2017</u>
<b>Balance, beginning of year</b>	\$ 1,334,528	\$ 1,268,808
Additions of tangible capital assets	227,547	109,069
Reclassification of land held for sale	(3,800)	(188)
Proceeds on disposal of tangible capital assets	(23,381)	(1,565)
Gain on disposal of tangible capital assets	7,960	582
Recognition of deferred revenue related to tangible capital assets	325	325
Amortization expense	(35,295)	(33,972)
Cash from issuance of debt and agreements payable	(19,928)	(11,305)
Repayment of debt and agreements payable	<u>7,110</u>	<u>2,774</u>
<b>Balance, end of year</b>	<u>\$ 1,495,066</u>	<u>\$ 1,334,528</u>

	<u>2018</u>	<u>2017</u>
<b>Net book value of tangible capital assets</b>	\$ 1,594,916	\$ 1,421,885
Less:		
Debt and agreements payable	(111,501)	(107,708)
Deferred revenue – Trinity Western University	(1,808)	(1,983)
Deferred revenue – Langley School Board	(1,550)	(1,700)
Add:		
Debt for non-capital expenses	1,684	1,781
Debt not spent on tangible capital assets	<u>13,325</u>	<u>22,253</u>
<b>Investment in tangible capital assets</b>	<u>\$ 1,495,066</u>	<u>\$ 1,334,528</u>

#### 14. CONTINGENCIES AND COMMITMENTS

- a) Loan agreements with Metro Vancouver Regional District provide that if at any time the scheduled payments provided for in the agreements are not sufficient to meet the MFA's obligations in respect of such borrowing, the resulting deficiency becomes the joint and several liability of the Township and all other participants of the MFA.
- b) Various lawsuits and claims are pending against the Township. Applicable insured claims have been referred to Township insurers. Management believes the resolution of the insured and non-insured claims will not materially affect the financial position of the Township. The Township is actively pursuing the recapture of the payment of the assessment penalty from WorksafeBC. The obligation was recorded in 2017 and paid in 2018.
- c) The Township has significant future contractual commitments for capital acquisitions and completion of capital construction projects in progress.
- The Township records capital costs incurred to the end of the year as tangible capital assets. To provide for completion of capital projects in progress, unexpended money is set aside as a capital appropriation.
- d) The Township has entered into various agreements and contracts with other governments and businesses that extend beyond one year for the provision of operating services and supplies and facility rentals. Agreements and contracts may provide for annual increases or additional payments that may arise due to usage levels or other factors. The

Township's five-year financial plan, updated and adopted annually by bylaw following public consultation, provides funding for these obligations. Services provided include policing, fire dispatch, emergency communications, library, animal protection and control, sewage disposal, solid waste and recycling, arena operations, planted area maintenance, tourism, economic development, photocopying, environmental, emergency preparedness and education, and the Society (Langley Events Centre) operations management.

- e) The Township, as a member of the Greater Vancouver Water District, the Greater Vancouver Sewerage and Drainage District, and Metro Vancouver Regional District, is directly, jointly, and severally liable with other member municipalities for net capital liabilities of those authorities.
- f) The Township is a shareholder of Emergency Communications for Southwest British Columbia Incorporated ("E-Comm") whose services include: regional 9-1-1 call centre for Metro Vancouver Regional District; Wide Area Radio network; dispatch operations; and records management. The Township has two Class B shares and one Class A Share for a total of three shares. In 2018, the Township converted one Class B share to Class A in order to actively use the wide-area radio system. E-Comm has 32 Class A shares and 21 Class B Shares. Class A shareholders are part of the E-Comm radio network and are bound by terms and conditions of the Members' Agreement (Special Users Agreement for the RCMP). Class B shareholders are not required to cover E-Comm's financial obligations.

#### 15. COLLECTIONS FOR OTHER GOVERNMENTS

The Township collected and remitted the following amounts on behalf of other government organizations. These amounts are recorded on a net basis in the consolidated financial statements.

	<u>2018</u>	<u>2017</u>
School District #35	\$ 72,272	\$ 68,711
Municipal Finance Authority	11	9
B.C. Assessment Authority	2,260	2,077
Metro Vancouver Regional District	2,289	1,886
South Coast British Columbia Transit Authority	<u>13,893</u>	<u>12,801</u>
	<u>\$ 90,725</u>	<u>\$ 85,484</u>

## 16. MUNICIPAL PENSION PLAN

The Township and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustee pension plan. The board of trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2017, the Plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 904 contributors from the Township.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The most recent actuarial valuation for the Plan as at December 31, 2015 indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be December 31, 2018, with results available in fall of 2019.

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The Township paid \$5,905 (2017 - \$5,262) for employer contributions to the Plan, while employees contributed \$5,006 (2017 - \$4,959) to the Plan in fiscal 2018.

## 17. EMPLOYEE FUTURE BENEFITS

The Township provides certain benefits to its employees upon retirement. Sick Leave benefit accrue to eligible employees who retire from service with the Township at the age of 65. Eligible employees shall be paid all their sick leave credit to a maximum of 75 days multiplied by the daily rate of pay at retirement. Employees who retire before the age of 60 shall have their benefit factored by the percentage of full pension awarded by the Municipal Superannuation Commission. Other post-employment benefits accrue to eligible employees as compensation related to additional hours worked beyond their contractual arrangement that are not payable until retirement, resignation or termination.

	<u>2018</u>	<u>2017</u>
Accrued benefit obligation, beginning of year	\$ 4,485	\$ 3,932
Current service cost	316	320
Interest cost	125	130
Long-term disability expense	73	134
Actual benefits paid	(172)	(206)
Amortization of actuarial adjustment	(395)	175
Accrued benefit obligation, end of year	4,432	4,485
Unamortized actuarial gain	625	260
Accrued sick leave benefit obligation, end of year	5,057	4,745
Other post-employment benefit liability	385	211
<b>Total Employee Future Benefits</b>	<b>\$ 5,442</b>	<b>\$ 4,956</b>

The actuarial adjustment will be amortized over a period of 12 years which is equal to the employee's expected average remaining service lifetime. The liability is recorded as part of accounts payable and accrued liabilities on the consolidated Statement of Financial Position (Note 5).

Other Post-employment benefit liability is calculated based on hours worked and accrued interest for 2018 at 2.24% (2017 – 1.95%). The Township's Sick Leave accrued liability is supported by a report from an independent actuarial consulting firm. Sick Leave liabilities were calculated as at December 31, 2018. The Actuary report is based on standard assumptions concerning salary scales, mortality rates, retirement age, and withdrawal rates at the following rates:

	<u>2018</u>	<u>2017</u>
Discount rate	3.20%	2.90%
Expected future inflation rate	2.50%	2.50%
Expected wage and salary inflation	2.50%	2.50%
Expected wage and salary increases	2.58% - 4.63%	2.58% - 4.63%

## 18. SIGNIFICANT TAXPAYERS

The Township has a diverse residential, commercial, industrial, and agricultural property tax base and is not significantly reliant upon property tax revenue from any one large taxpayer.

## 19. TRUST FUNDS

The Cemetery Care Trust Fund must be administered in accordance with the Cemetery and Funeral Services Act. In accordance with PSAB recommendations, trust funds are not included in the Township's consolidated financial statements.

<b>Assets</b>	<b>2018</b>	<b>2017</b>
Cash and investments	\$ 2,224	\$ 2,070
Accrued interest receivable	11	7
	<u>\$ 2,235</u>	<u>\$ 2,077</u>
<b>Equity</b>		
Balance, beginning of year	\$ 2,077	\$ 1,928
Contributions	114	117
Interest revenue	44	32
<b>Balance, end of year</b>	<u>\$ 2,235</u>	<u>\$ 2,077</u>

## 20. BUDGET DATA

The budget data presented in these consolidated financial statements is based upon the 2018 operating and capital budgets approved by Township Council on February 19, 2018. Amortization was not contemplated on development of the budget and, as such, has not been included. Other entities includes the budget for the Society and its subsidiary, excluding inter-company transactions. The chart below reconciles the approved budget to the budget figures reported in these consolidated financial statements.

<b>Revenue</b>	<b>2018 Budget</b>
Operating Budget Bylaw	\$ 234,463
Capital Budget Bylaw	325,802
Other entities	4,895
Less:	
Transfer from other funds	(163,090)
Proceeds from new debt	(49,284)
<b>Total Revenue</b>	<u><b>352,786</b></u>
<b>Expenses</b>	
Operating Budget Bylaw	234,463
Capital Budget Bylaw	325,802
Other entities	3,806
Less:	
Transfer from other funds	(27,635)
Capital expenditures	(308,972)
Debt principal payments	(7,206)
<b>Total Expenses</b>	<u><b>220,258</b></u>
<b>Annual Surplus</b>	<u><b>\$ 132,528</b></u>



## 21. SEGMENTED INFORMATION

The Township is a diversified municipal government that provides a wide range of services to its citizens, including:

- General Government Services
- Protective Services
- Facilities Maintenance Services
- Community Planning and Development Services
- Recreation, Culture, and Parks Services
- Engineering Services

For management reporting purposes, the government's operations and activities are organized and reported by service areas. Service areas were created for the purpose of recording specific activities to attain certain objectives in accordance with regulations, restrictions, or limitations.

Township services are provided by departments and their activities are reported in these service areas. Departments disclosed in the Segmented Information, along with the services they provide, are as follows:

### General Government Services

General Government Services includes Corporate Administration, Legislative Services, Human Resources, and Finance. Corporate Administration is responsible for carrying out the direction, policies, and priorities set by Council and for providing recommendations to Council consistent with the needs of the community. Legislative Services department provides a secretariat for Council and its Committees. Human Resources provide assistance, advice, and guidance to both managers and employees in fulfilling roles and achieving and accomplishing their goals. The Finance Division manages the Township's financial resources and provides expert financial information, advice, and services while complying with the Community Charter and other legislated services.

### Protective Services

Protective Services includes the RCMP and Fire Departments. The RCMP protects and serves the citizens of Langley through the prevention and reduction of crime in partnership with the community.

The Fire Department operates through seven fire halls located throughout the Township. Services are delivered through four main branches of the Fire Service. Professional expertise is provided in the area of fire prevention, emergency operations, fire safety, and emergency planning.

### Facilities Maintenance Services

The Facilities Maintenance Division of Engineering is responsible for maintenance on all Township facilities. Centralization of this function facilitates more effective prioritization of maintenance to protect significant assets critical for service delivery.

### Community Planning and Development Services

The Community Planning and Development Division provides Council, internal divisions, and the general public with professional advice on community planning and development issues. Community Development is also responsible for Bylaw Enforcement.

### Recreation, Culture, and Parks Services

Recreation, Culture, and Parks is responsible for the management and provision of leisure services within the Township.

### Engineering Services

The Engineering Division delivers municipal transportation, water, sewer, solid waste, and stormwater services. Transportation manages traffic and transportation systems to ensure safe, efficient mobility for pedestrians, cyclists, and vehicles. The Water, Sewer, and Drainage Utilities operate and distribute water and network sewer mains, storm sewers, and pump stations. Solid Waste includes waste management including recycling, collection, and disposal.

## 22. CONTRACTUAL RIGHTS

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenue and assets in the future. The Township enters into contracts or agreements for various services, and long term leases in the normal course of operations that it expects will result in the realization of assets and revenue in future fiscal years. Contractual rights are not recorded in the consolidated financial statements.

At December 31, 2018, the Township has contractual rights in the following amounts:

Year	Total Contractual Rights
2019	\$ 9,738
2020	4,225
2021	3,935
2022	3,192
2023	1,166
Thereafter	8,496
	<b>\$ 30,752</b>

The Township has cost sharing agreements with the other government agencies which are not reflected in the above figures as they cannot be quantified. The Township is the recipient of grants from various government agencies. These grants do not guarantee the right to future funding and have not been included in the above figures.

## 23. COMPARATIVE FIGURES

Certain 2017 figures have been reclassified to conform to the 2018 consolidated financial statement presentation.

## Consolidated Financial Activities - Segmented

For the year ended December 31, 2018 (in thousands of dollars)

		Protective Service			Community Planning and Development
	General Government	Police Protection	Fire Protection	Facilities Maintenance	
<b>REVENUE</b>					
Property taxes	\$ 20,058	\$ 29,261	\$ 16,545	\$ 11,050	\$ -
Fees, rates and service charges	3,198	306	135	1	10,854
Grants and grants in lieu of taxes	5,814	1,394	-	-	-
Service cost recoveries	358	3,527	309	132	85
Gain on disposal of assets	11,852	-	-	-	-
Investment income	3,407	-	-	-	-
Local area service contributions	-	-	-	-	-
Contribution from development cost charges	-	-	-	-	-
Other developer contributions	62,067	-	-	-	-
Other income	(2,335)	2,584	1,394	545	687
	<u>104,419</u>	<u>37,072</u>	<u>18,383</u>	<u>11,728</u>	<u>11,626</u>
<b>EXPENSES</b>					
Salaries, wages and benefits	13,589	7,744	14,465	4,011	7,466
Service and maintenance contracts	1,264	366	670	2,341	382
RCMP contract	-	25,121	-	-	-
Consulting & professional services	2,039	1	212	806	817
Insurance	988	20	98	-	-
Material supplies & equipment	622	177	1,212	1,118	251
Information systems maintenance	1,525	6	22	18	16
Aviation and vehicle fuel	667	399	159	4	11
Advertising publications	150	1	1	-	4
Utilities	30	-	-	2,195	1
Sundry	1,702	60	170	176	187
Telephone & communications	290	87	70	53	40
Regional District charges	-	-	-	-	-
Municipal grants	490	-	-	-	15
Debt interest payments	83	-	-	-	-
Fiscal and other debt charges	181	6	1	-	-
Internal cost recoveries	97	47	108	(254)	(49)
Amortization	1,897	197	1,010	-	-
	<u>25,614</u>	<u>34,232</u>	<u>18,198</u>	<u>10,468</u>	<u>9,141</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<u>\$ 78,805</u>	<u>\$ 2,840</u>	<u>\$ 185</u>	<u>\$ 1,260</u>	<u>\$ 2,485</u>

Recreation, Culture & Parks			Engineering								
Recreation and Culture	Parks		Transportation	Stormwater	Water	Sewer	Solid Waste	Reserve Funds	2018	2017	
\$ 14,695	\$ 11,162	\$	21,949	\$ 7,135	\$ -	\$ -	\$ -	\$ -	\$ 131,855	\$ 125,985	
11,044	13,197		1,066	326	23,055	16,322	6,941	-	86,445	72,035	
157	70		7,085	122	-	-	-	-	14,642	14,045	
12	13		169	35	-	-	13	-	4,653	4,418	
-	(976)		(14)	(212)	(75)	(81)	-	-	10,494	969	
-	276		(20)	41	251	178	22	2,032	6,187	5,297	
-	-		-	-	3,863	175	-	-	4,038	786	
-	8,756		12,195	608	2,320	1,259	-	-	25,138	19,939	
-	38,838		5,003	1,531	844	544	-	-	108,827	30,197	
3,391	920		164	250	-	2	1	-	7,603	5,533	
29,299	72,256		47,597	9,836	30,258	18,399	6,977	2,032	399,882	279,204	
11,457	5,079		9,649	2,432	4,206	2,281	646	-	83,025	77,972	
8,775	2,411		10,227	918	818	535	5,618	-	34,325	28,798	
-	-		-	-	-	-	-	-	25,121	23,056	
221	1,238		8,425	331	5,704	61	34	-	19,889	7,123	
164	-		484	-	15	16	-	-	1,785	1,476	
483	1,943		5,704	1,074	2,128	799	44	-	15,555	14,233	
39	8		46	4	39	22	12	-	1,757	1,773	
-	12		1,115	11	9	3	-	-	2,390	2,120	
43	2		8	1	2	-	10	-	222	250	
-	488		1,006	88	512	153	-	-	4,473	4,290	
578	1,118		564	48	182	31	9	-	4,825	3,605	
61	35		76	15	31	18	9	-	785	807	
4,215	-		-	-	6,307	7,588	-	-	18,110	16,711	
294	-		-	-	-	-	-	-	799	782	
-	320		999	177	1,161	383	-	-	3,123	2,619	
128	5		-	-	-	-	-	-	321	275	
(212)	(73)		(6,635)	31	175	112	55	-	(6,598)	(5,820)	
5,057	3,543		13,879	3,901	3,698	2,113	-	-	35,295	33,972	
31,303	16,129		45,547	9,031	24,987	14,115	6,437	-	245,202	214,042	
\$ (2,004)	\$ 56,127	\$	2,050	\$ 805	\$ 5,271	\$ 4,284	\$ 540	\$ 2,032	\$ 154,680	\$ 65,162	



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## Schedules

### 2018

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**Schedule 1**

**DEBT AND AGREEMENTS PAYABLE**

**For the year ended December 31, 2018 (in thousands of dollars)**

**MFA DEBT**

By-law	Date of Issue	Issued by	Purpose	Issue	Rate	Maturity
<b>DEBENTURE DEBT</b>						
<b>GENERAL:</b>						
***5423		M.F.A.	Facility Capital Works			Temporary Borrowing
<b>STORMWATER:</b>						
4752	April 8, 2010	M.F.A.	Drainage	110	4.50%	April 8, 2030
4829	April 4, 2011	M.F.A.	Drainage	116	4.20%	April 4, 2031
<b>WATER:</b>						
3950	November 7, 2000	M.F.A.	Langley Water Utility	73	2.10%	December 1, 2020
4919	April 7, 2017	M.F.A.	Langley Water Utility	141	2.80%	April 7, 2037
4920	April 7, 2017	M.F.A.	Langley Water Utility	141	2.80%	April 7, 2037
<b>TRANSPORTATION:</b>						
4751	April 8, 2015	M.F.A.	Transportation	131	2.20%	April 8, 2035
5232	October 4, 2017	M.F.A.	Transportation	142	3.15%	October 4, 2037
5233	October 4, 2017	M.F.A.	Transportation	142	3.15%	October 4, 2037
***4953		M.F.A.	Transportation			Temporary Borrowing
***5424		M.F.A.	Transportation			Temporary Borrowing
<b>SEWER:</b>						
4750	April 8, 2010	M.F.A.	Sewer	110	4.50%	April 8, 2030
<b>PARKS:</b>						
4455	November 2, 2007	M.F.A.	Land Acquisition	102	4.82%	December 1, 2027
4556	November 2, 2007	M.F.A.	Land Acquisition	102	4.82%	December 1, 2027
***5423		M.F.A.	Facility			Temporary Borrowing

**Total debenture debt**

**PROPERTY ACQUISITION AGREEMENTS**

**GENERAL CAPITAL FUND:**

*	Langley Facilities Society	Recreation Centre	August 7, 2029
	Langley Facilities Society	Recreation Centre	November 1, 2022
	February 6, 2017	Land Acquisition	February 6, 2018

**PARKS UTILITY FUND:**

**	January 3, 2006	Land Acquisition	January 3, 2026
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The Township issues long-term debenture debt instruments through the Municipal Finance Authority (MFA) pursuant to security issuing bylaws. Sinking Fund Reserve balances are managed by the MFA and are used to retire the debt instruments. For reporting purposes, the Township nets Sinking Fund Reserve balances against related gross debt.

The MFA Debt Reserve is composed of Cash Reserves and Demand Note Reserves. The MFA retains these reserves in case any municipality defaults on their debt repayment obligations. Upon retirement of the debt and if no municipality has defaulted, the cash will be returned to the Municipality and the demand notes will be cancelled.

\*The Society has a Canadian commercial bank loan pertaining to the construction of the Langley Events Centre. The bank loan was refinanced with a fixed rate structure in 2018. The rate will expire in 2021. For estimation purposes, future principal and interest payments assume constant 2018 rates in effect for the duration of the loan.

\*\*Under this agreement, the vendors retained the right to operate the Redwoods Golf Course for 20 years (7 years remain). The vendors must contribute \$100 annually to maintain and improve the property. The Township must contribute \$50 annually. The Township is also required to make annual repayments at an amount that is variable based on annual property taxes. Interest rates on related debt are approximately 4 to 6%.

\*\*\*As at December 31, 2018, the Township has also secured temporary financing of \$11,250 from the MFA for various capital projects to be repaid over 20 years pending the issuance of long term debenture securities in 2018. This is an increase over 2017 of \$11,000. The variable annual interest rate as at December 31, 2018 was 2.95%.

Gross Debt	Estimated Sinking Fund Credit	Net Debt 2018	Net Sinking Fund Earnings 2018	Principal Repayments 2018	Interest Expense 2018	Net Debt 2017
\$ 5,500	\$ -	\$ 5,500	\$ -	\$ -	\$ -	\$ -
5,500	-	5,500	-	-	-	-
1,800	557	1,243	19	60	81	1,323
2,292	608	1,684	20	77	96	1,781
4,092	1,165	2,927	39	137	177	3,104
1,200	1,025	175	42	40	25	257
33,535	1,248	32,287	-	1,248	939	33,535
7,015	261	6,754	-	261	196	7,015
41,750	2,534	39,216	42	1,549	1,160	40,807
8,700	956	7,744	22	308	191	8,074
11,716	436	11,280	-	436	369	11,716
13,744	511	13,233	-	512	433	13,744
250	-	250	-	-	6	250
4,000	-	4,000	-	-	-	-
38,410	1,903	36,507	22	1,256	999	33,784
8,500	2,630	5,870	90	286	383	6,246
8,500	2,630	5,870	90	286	383	6,246
3,250	1,472	1,778	53	109	73	1,940
11,000	4,982	6,018	178	369	246	6,565
1,500	-	1,500	-	-	-	-
15,750	6,454	9,296	231	478	319	8,505
114,002	14,686	99,316	424	3,706	3,038	92,446
		10,940	-	1,000	363	11,940
		418	-	82	59	500
		-	-	1,868	83	1,868
		11,358	-	2,950	505	14,308
		827	-	127	1	954
		827	-	127	1	954
Total agreements payable		12,185	-	3,077	506	15,262
Total debt and agreements payable	\$	111,501	\$ 424	\$ 6,783	\$ 3,544	\$ 107,708



## Schedule 2

### LANGLEY CENTENNIAL MUSEUM

#### STATEMENT OF FINANCIAL ACTIVITIES

For the year ended December 31, 2018 (in thousands of dollars)

	<u>2018</u>	<u>2017</u>
<b>REVENUE</b>		
Donations, sales and programs	\$ 144	\$ 151
BC Arts Council grant	40	40
Transfer from Museum Reserve	-	1
Transfer from capital surplus	-	33
Federal grants - other	47	19
Provincial grants - other	1	1
Other grants	28	-
Township of Langley funding	634	663
	<u>\$ 894</u>	<u>\$ 908</u>
<b>EXPENSE</b>		
Salaries and benefits	633	654
Program and events	87	62
Exhibit maintenance	19	24
Insurance	15	15
Purchases for resale	17	20
Office supplies and sundry	12	15
Utilities	19	19
Telephone and internet	3	3
Amortization expense	13	10
Grounds maintenance	9	8
Advertising	3	1
Travel	3	3
Building maintenance	42	51
Artifact additions	6	1
Total operating expense	<u>881</u>	<u>886</u>
Transfer to Museum Reserve	<u>13</u>	<u>22</u>
	<u>\$ 894</u>	<u>\$ 908</u>
<b>MUSEUM RESERVE</b>		
Balance, beginning of year	\$ 529	\$ 521
Contribution from Museum operations	29	33
Operating expense funded by the Reserve Fund	(5)	(3)
Capital expenditure funded by the Reserve Fund	-	(22)
<b>Balance, end of year</b>	<u>\$ 553</u>	<u>\$ 529</u>

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**NOTICE OF MOTION**

Director Kim Richter provided the following Notice of Motion on July 9, 2019 for consideration at the next regular MVRD Board meeting:

**Procedure Bylaw Amendment**

“Whereas Section 9.1 of the MVRD Procedure Bylaw Number 1205, 2014 (the “Bylaw”) states that any Director desiring to bring before the Board any new matter, other than a point of order or privilege, shall do so by way of motion;

“And whereas Part 10 of the Bylaw sets out the procedure for reconsidering “a matter”;

“And whereas section 9.1 may be interpreted or used to prevent directors from bringing forward motions regarding matters that are related to but separate from “a matter” that has been before the Board;

“And whereas Directors should be free to bring forward to the Board matters that are not subject to Part 10 of the Bylaw;

Therefore Be It Resolved that the MVRD Board request staff to bring forward an amendment to the MVRD Procedure Bylaw Number 1205, 2014 to delete the word “new” in Section 9.1.”

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**COMMITTEE INFORMATION ITEMS AND DELEGATION SUMMARIES**

Metro Vancouver Regional District

Board Meeting Date – Friday, July 26, 2019

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This information item, listing recent information received by committee, is provided for the MVRD Board's information. Please access a complete PDF package [here](#).

**George Massey Crossing Task Force – June 27, 2019**

*Delegation Summaries:*

3.1 Roderick V. Louis

*Information Items:*

No items presented

**Electoral Area Committee – July 3, 2019**

*Delegation Summaries:*

No delegations presented

*Information Items:*

5.2 Electoral Area A Building Administration Bylaw – Permit Fees

**Performance and Audit Committee – July 4, 2019**

*Delegation Summaries:*

No delegations presented

*Information Items:*

5.2 Interim Financial Performance Report – April 2019

5.3 Capital Program Expenditure Update as at April 30, 2019

5.4 Investment Position and Returns – January 1 to April 30, 2019

5.9 Tender/Contract Award Information – March 2019 to May 2019

**Regional Planning Committee – July 5, 2019**

*Delegation Summaries:*

No delegations presented

*Information Items:*

5.4 2016 Urban Centre and Frequent Transit Development Area Data Profiles and Dashboard

5.5 Urban Centre and Frequent Transit Development Area Policy Review Update

5.6 Metro Vancouver and TransLink Collaboration on Land Value Capture Study

5.8 Housing Agreements Workshop 2019

5.10 Agricultural Land Use Planning Policy Forum Results

**Regional Parks Committee – July 10, 2019**

*Delegation Summaries:*

No delegations presented

*Information Items:*

- 5.7 Regional Parks Land Acquisition and Capital Development Funding Options
- 5.8 Brunette Fraser Regional Greenway - Cumberland Point Potential Habitat Compensation Project

**Climate Action Committee – July 12, 2019**

*Delegation Summaries:*

No delegations presented

*Information Items:*

- 5.3 Metro Vancouver's Climate Actions and Carbon Neutral Progress in 2018
- 5.4 Strata Energy Advisor Pilot Program Update
- 5.5 Update on Metro Vancouver's Grow Green Website

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