

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

**REGULAR BOARD MEETING**

**Friday, July 30, 2021**

**9:00 A.M.**

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

[Membership and Votes](#)

**A G E N D A<sup>1</sup>**

**A. ADOPTION OF THE AGENDA**

**1. July 30, 2021 Regular Meeting Agenda**

That the MVRD Board adopt the agenda for its regular meeting scheduled for July 30, 2021 as circulated.

**B. ADOPTION OF THE MINUTES**

**1. June 25, 2021 Regular Meeting Minutes**

That the MVRD Board adopt the minutes for its regular meeting held June 25, 2021 as circulated.

*pg. 6*

**C. DELEGATIONS**

**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. INDIGENOUS RELATIONS COMMITTEE REPORTS

### 1.1 Local Government Responses to the Discovery of an Unmarked Burial Site Near Kamloops Indian Residential School *pg. 15*

That the Board Chair write the Prime Minister urging the federal government to fully implement the Truth and Reconciliation Commission's Calls to Action attributed to the Government of Canada, particularly any additional supports needed to address Calls to Action 71 to 76 relating to information on missing residential school children and burial records.

## 2. MAYORS COMMITTEE REPORTS

### 2.1 Municipal Director Appointment Process *pg. 24*

That the MVRD Board request the Ministry of Municipal Affairs to amend the *Local Government Act*, in section 198 [appointment and term of office for municipal directors], as necessary to require municipal councils to appoint the Mayor, or the Mayor's designate, as the municipal director to the regional district board.

## 3. REGIONAL PARKS COMMITTEE REPORTS

### 3.1 Colony Farm Regional Park - Colony Farm Park Association Contribution Agreement *pg. 28*

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 \$10,000 commencing January 1, 2022 and ending December 31, 2022.

### 3.2 Kanaka Creek Regional Park – Kanaka Education and Environmental Partnership Society Contribution Agreement *pg. 42*

That the MVRD Board approve the contribution agreement between the Metro Vancouver Regional District and the Kanaka Education and Environmental Partnership Society for a three-year term in the aggregate amount of \$45,000 (\$15,000 in 2022, \$15,000 in 2023 and \$15,000 in 2024), commencing January 1, 2022 and ending December 31, 2024.

### 3.3 Pacific Spirit Regional Park - Pacific Spirit Park Society Contribution Agreement *pg. 55*

That the MVRD Board approve the contribution agreement between the Metro Vancouver Regional District and the Pacific Spirit Park Society for a three-year term in the aggregate amount of \$45,000 (\$15,000 in 2022, \$15,000 in 2023 and \$15,000 in 2024), commencing January 1, 2022 and ending December 31, 2024.

## 4. CLIMATE ACTION COMMITTEE REPORTS

### 4.1 Metro Vancouver's Achievement of Carbon Neutrality in 2020 *pg. 68*

That the MVRD Board receive for information the report titled "Metro Vancouver's Achievement of Carbon Neutrality in 2020", dated June 22, 2021.

- 4.2 Proposed Updates to the Sustainability Innovation Fund Policies** pg. 89  
 That the MVRD Board approve the proposed updates to the Regional District Sustainability Innovation Fund as presented in the report dated June 25, 2021, titled “Proposed Updates to the Sustainability Innovation Fund Policies”.
- 4.3 Next Phase of Engagement on a Cannabis Production and Processing Emission Regulation** pg. 99  
 That the MVRD Board authorize staff to proceed with the next phase of engagement on the proposed approach to regulating air emissions from cannabis production and processing using the draft discussion paper attached to the report titled “Next Phase of Engagement on a Cannabis Production and Processing Emission Regulation”, dated June 22, 2021.
- 4.4 Board Appointment of Enforcement Officers** pg. 127  
 That the MVRD Board:
- a) pursuant to the *Greater Vancouver Regional District Air Quality Management Bylaw 1082, 2008* and the *Environmental Management Act*:
    - i. appoint Metro Vancouver employees Eugene Lee and Rei Van as officers; and
  - b) pursuant to section 28 of the *Offence Act*:
    - i. appoint Metro Vancouver employees Eugene Lee and Rei Van for the purpose of serving summons under section 28 of the *Offence Act* for alleged violations under the *Greater Vancouver Regional District Air Quality Management Bylaw 1082, 2008*.

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

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

**1. PERFORMANCE AND AUDIT COMMITTEE REPORTS**

- 1.1 MFA Fall 2021 Borrowing for Surrey – MVRD Security Issuing Bylaw No. 1323, 2021** pg. 129  
*[Recommendation a) and b): simple weighted majority vote.] and*  
*[Recommendation c): 2/3 weighted majority vote.]*

That the MVRD Board:

- a) give consent to the request for financing from the City of Surrey in the amount of \$150,600,000 pursuant to Sections 182(1)(b) and 182(2)(a) of the *Community Charter*;
- b) give first, second and third reading to *Metro Vancouver Regional District Security Issuing Bylaw No. 1323, 2021* 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. 1323, 2021*; and forward it to the Inspector of Municipalities for Certificate of Approval.

## **2. CHIEF ADMINISTRATIVE OFFICER REPORTS**

### **2.1 Board and Committee Electronic Meetings – Next Steps**

pg. 194

That the MVRD Board direct staff to bring forward amendments to the *Metro Vancouver Regional District Procedure Bylaw* to authorize electronic meetings and participation by board and committee members at those meetings on a limited basis, as described in the report dated July 21, 2021, titled “Board and Committee Electronic Meetings – Next Steps”.

### **2.2 MVRD Mosquito Control Service Amending Bylaw No. 1320 Final Adoption**

pg. 197

*[Recommendation: simple weighted majority vote.]*

That the MVRD Board pass and finally adopt *Metro Vancouver Regional District Regional Mosquito Control Service Amending Bylaw No. 1320, 2021*.

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

## **I. OTHER BUSINESS**

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

pg. 201

## **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 30, 2021 pursuant to the *Community Charter* provisions, Section 90 (1) (c), (e), (j), (k) and (m) 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:

- (c) labour relations or other employee relations;
- (e) the acquisition, disposition or expropriation of land or improvements, if the board or committee considers that disclosure could reasonably be expected to harm the interests 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*;
- (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; and
- (m) a matter that, under another enactment, is such that the public may be excluded from the meeting.”

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

**M. ADJOURNMENT/CONCLUSION**

That the MVRD Board adjourn/conclude its regular meeting of July 30, 2021.

**METRO VANCOUVER REGIONAL DISTRICT  
BOARD OF DIRECTORS**

Minutes of the Regular Meeting of the Metro Vancouver Regional District (MVRD) Board of Directors held at 9:03 a.m. on Friday, June 25, 2021 in the 28<sup>th</sup> Floor Boardroom, 4730 Kingsway, Burnaby, British Columbia.

**MEMBERS PRESENT:**

Burnaby, Chair, Director Sav Dhaliwal	Port Coquitlam, Director Brad West* (arrived at 9:04 a.m.)
North Vancouver City, Vice Chair Director Linda Buchanan*	Port Moody, Director Rob Vagramov*
Anmore, Director John McEwen*	Richmond, Director Malcolm Brodie*
Belcarra, Director Jamie Ross*	Richmond, Director Harold Steves*
Bowen Island, Director David Hocking*	Surrey, Director Linda Annis*
Burnaby, Director Pietro Calendino*	Surrey, Director Doug Elford*
Burnaby, Director Mike Hurley* (arrived at 9:07 a.m.)	Surrey, Director Laurie Guerra*
Coquitlam, Director Craig Hodge*	Surrey, Director Doug McCallum*
Coquitlam, Director Richard Stewart*	Surrey, Director Mandeep Nagra*
Delta, Director George Harvie*	Surrey, Director Allison Patton*
Delta, Director Dylan Kruger*	Tsawwassen, Director Ken Baird* (arrived at 9:06 a.m.)
Electoral Area A, Director Jen McCutcheon*	Vancouver, Director Christine Boyle*
Langley City, Director Gayle Martin*	Vancouver, Director Adriane Carr*
Langley Township, Director Jack Froese*	Vancouver, Director Lisa Dominato* (arrived at 9:08 a.m.)
Langley Township, Director Kim Richter*	Vancouver, Director Colleen Hardwick*
Lions Bay, Director Ron McLaughlin*	Vancouver, Alternate Director Pete Fry* for Kennedy Stewart
Maple Ridge, Alternate Director Judy Dueck* for Mike Morden (arrived at 9:12 a.m.)	Vancouver, Director Michael Wiebe*
New Westminster, Director Jonathan Côté*	West Vancouver, Director Mary-Ann Booth*
North Vancouver District, Director Lisa Muri*	White Rock, Director Darryl Walker*
Pitt Meadows, Director Bill Dingwall*	

**MEMBERS ABSENT:**

Vancouver, Director Melissa De Genova

**STAFF PRESENT:**

Jerry W. Dobrovolny, Chief Administrative Officer  
 Amelia White, Legislative Services Coordinator, Board and Information Services  
 Chris Plagnol, Corporate Officer

\*denotes electronic meeting participation as authorized by Section 3.6.2 of the *Procedure Bylaw*

**A. ADOPTION OF THE AGENDA**

**1. June 25, 2021 Regular Meeting Agenda**

**It was MOVED and SECONDED**

That the MVRD Board adopt the agenda for its regular meeting scheduled for June 25, 2021 as circulated.

**CARRIED**

9:04 a.m. Director West arrived at the meeting.

**B. ADOPTION OF THE MINUTES**

**1. May 28, 2021 Regular Meeting Minutes**

**It was MOVED and SECONDED**

That the MVRD Board adopt the minutes for its regular meeting held May 28, 2021 as circulated.

**CARRIED**

**C. DELEGATIONS**

No items presented.

**D. INVITED PRESENTATIONS**

No items presented.

**E. CONSENT AGENDA**

At the request of the Directors, the following item was removed from the Consent Agenda, for consideration under Section F. Items Removed from the Consent Agenda:

3.1 Draft Metro 2050: Referral for Comment

**It was MOVED and SECONDED**

That the MVRD Board adopt the recommendations presented in the following items as presented in the June 25, 2021 MVRD Board Consent Agenda:

- 1.1 Technical Paper – Preparing Metro Vancouver for the Digital Economy
- 1.2 REPS Industry Cluster Selection Criteria
- 1.3 Clean Transportation Sector Profile
- 2.1 Howe Sound Fire Protection Services Feasibility Study
- 2.2 Barnston Island Flood Construction Level Study – Engagement Update
- 2.3 Community Works Fund – Barnston Island
- 3.2 2021 Agriculture Awareness Grant Recommendations
- 3.3 Evaluation of Regional Ecosystem Connectivity Study
- 3.4 Metro Vancouver Tree Regulations Toolkit
- 4.1 Cancellation of Provincial Climate Action Revenue Incentive Program (CARIP)
- 4.2 Next Phase of Engagement on an Open-Air Burning Emission Regulation
- 4.3 Air Quality and Climate Action Initiatives in Caring for the Air 2021

9:06 a.m. Director Baird arrived at the meeting.

9:07 a.m. Director Hurley arrived at the meeting.

The items and recommendations referred to above are as follows:

**1.1 Technical Paper – Preparing Metro Vancouver for the Digital Economy**

Report dated May 11, 2021, from Megan Gerryts, Senior Advisor, Regional Economic Prosperity Service, providing a technical paper on preparing Metro Vancouver for the Digital Economy for the MVRD Board's information.

*Recommendation:*

That the MVRD Board receive for information the report dated May 11, 2021, titled "Technical Paper – Preparing Metro Vancouver for the Digital Economy".

*Adopted on Consent*

**1.2 REPS Industry Cluster Selection Criteria**

Report dated May 5, 2021, from Gregory Freeman, Senior Economist, Regional Economic Prosperity Service, providing the MVRD Board with the evaluation criteria for identifying the industry clusters that will be the initial focus of the Metro Vancouver Regional Economic Prosperity Service.

*Recommendation:*

That the MVRD Board receive for information the report dated May 5, 2021, titled "REPS Industry Cluster Selection Criteria".

*Adopted on Consent*

**1.3 Clean Transportation Sector Profile**

Report dated May 7, 2021, from Gregory Freeman, Senior Economist, Regional Economic Prosperity Service and Megan Gerryts, Senior Advisor, Regional Economic Prosperity Service, presenting a profile of the clean transportation sector in the region for the MVRD Board's information.

*Recommendation:*

That the MVRD Board receive for information the report dated May 7, 2021, titled "Clean Transportation Sector Profile".

*Adopted on Consent*

**2.1 Howe Sound Fire Protection Services Feasibility Study**

Report dated May 11, 2021, from Marcin Pachcinski, Division Manager, Electoral Area and Environment, Regional Planning and Housing Services, providing the MVRD Board with the Howe Sound Fire Protection Feasibility Study.



*Recommendation:*

That the MVRD Board receive for information the report dated May 11, 2021, titled "Howe Sound Fire Protection Services Feasibility Study".

*Adopted on Consent*

**2.2 Barnston Island Flood Construction Level Study – Engagement Update**

Report dated May 11, 2021, from Tom Pearce, Planner, Regional Planning and Housing Services, providing the MVRD Board with an engagement update regarding the Barnston Island Flood Construction Level Study.

*Recommendation:*

That the MVRD Board receive for information the report dated May 11, 2021, titled "Barnston Island Flood Construction Level Study – Engagement Update".

*Adopted on Consent*

**2.3 Community Works Fund – Barnston Island**

Report dated May 11, 2021, from Tom Pearce, Planner, Regional Planning and Housing Services, providing the MVRD Board with the opportunity to approve funding for Barnston Island pump house and flood box gate improvements through the Community Works Fund.

*Recommendation:*

That the MVRD Board approve funding from the Electoral Area A Community Works Fund up to \$12,100 for Barnston Island pump house and flood box gate improvements, as described in the report dated May 11, 2021, titled "Community Works Fund – Barnston Island".

*Adopted on Consent*

**3.2 2021 Agriculture Awareness Grant Recommendations**

Report dated May 11, 2021, from Carla Stewart, Senior Planner, Regional Planning and Housing Services, recommending that the MVRD Board award funding grants to non-profit organizations from around the region that are leading public awareness activities about the importance of local agriculture and food, and educating residents on how to grow and cook food produced in the region.

*Recommendation:*

That the MVRD Board award the annual Agriculture Awareness Grants to the following eleven non-profit organizations as described in the report dated May 11, 2021, titled "2021 Agriculture Awareness Grant Recommendations":

- i. BC Agriculture in the Classroom Foundation, for the "Take a Bite of BC" project in the amount of \$6,000;
- ii. BC Chicken Growers' Association, for the "Poultry in Motion Educational Mini Barn" project in the amount of \$6,000;
- iii. Delta Farmland and Wildlife Trust, for the "Agriculture and Conservation in the Fraser River Estuary Videos" in the amount of \$6,000;
- iv. FarmFolk CityFolk, for "BC Seed Gathering" in the amount of \$6,000;

- v. Growing Chefs Society, for “Metro Vancouver Edible Education” in the amount of \$3,500;
- vi. Grow Local Society, for the “Power of Produce Club”, in the amount of \$3,600;
- vii. Langley Environmental Partners Society, for the “Langley Eats Local” project in the amount of \$4,400;
- viii. Maple Ridge Pitt Meadows Agricultural Association, for the “Maple Ridge Pitt Meadows Country Fest” in the amount of \$1,500;
- ix. Open Science Network Society, for the “Digital Agriculture in Metro Vancouver” project in the amount of \$3,000;
- x. Pacific Immigrant Resources Society, for the “Needs Assessment & Educational Campaign on Food Literacy and Metro” project in the amount of \$6,000; and
- xi. The Sharing Farm, for the “Interpretive Signage at the Sharing Farm” in the amount of \$4,000.

*Adopted on Consent*

### **3.3 Evaluation of Regional Ecosystem Connectivity Study**

Report dated May 19, 2021, from Marcin Pachcinski, Division Manager, Electoral Area and Environment, Regional Planning and Housing Services, presenting the MVRD Board with the recently completed Evaluation of Regional Ecosystem Connectivity Study for information.

*Recommendation:*

That the MVRD Board receive for information the report dated May 19, 2021, titled “Evaluation of Regional Ecosystem Connectivity Study”.

*Adopted on Consent*

### **3.4 Metro Vancouver Tree Regulations Toolkit**

Report dated May 14, 2021, from Edward Nichol, Regional Planner, Regional Planning and Housing Services, providing the MVRD Board with the completed Metro Vancouver Tree Regulations Toolkit for information.

*Recommendation:*

That the MVRD Board receive for information the report dated May 14, 2021, titled “Metro Vancouver Tree Regulations Toolkit”.

*Adopted on Consent*

### **4.1 Cancellation of Provincial Climate Action Revenue Incentive Program (CARIP)**

Report dated May 27, 2021, from Conor Reynolds, Division Manager, Air Quality and Climate Change Policy and Jason Emmert, Program Manager, Climate Policy, Parks and Environment, providing the MVRD Board with information on the cancellation of the Provincial Climate Action Revenue Incentive Program and summarizing the impacts for Metro Vancouver and its member jurisdictions.

*Recommendation:*

That the MVRD Board authorize the Board Chair to write a letter to the Provincial Minister of Municipal Affairs, Minister of Environment and Climate Change Strategy, and Minister of Finance, regarding the cancellation of the Climate Action Revenue Incentive Program, providing details on key elements to be retained in a replacement program and suggested improvements, based on the analysis in the report dated May 27, 2021, titled “Cancellation of Provincial Climate Action Revenue Incentive Program (CARIP)”.

*Adopted on Consent*

**4.2 Next Phase of Engagement on an Open-Air Burning Emission Regulation**

Report dated May 18, 2021, from Amy Thai, Senior Policy Analyst, Parks and Environment and Julie Saxton, Air Quality Planner, Parks and Environment, summarizing the engagement to date on a potential emission regulation for open-air burning of vegetative debris in Metro Vancouver and seeking the MVRD Board’s approval to proceed with further engagement.

*Recommendation:*

That the MVRD Board:

- a) receive for information a summary of the initial engagement on a potential emission regulation for open-air burning of vegetative debris in Metro Vancouver, as described in the report titled “Next Phase of Engagement on an Open-Air Burning Emission Regulation”, dated May 18, 2021; and
- b) authorize staff to proceed with additional engagement on a potential emission regulation for open-air burning of vegetative debris in Metro Vancouver, based on the draft discussion paper and updated engagement plan presented in the report titled “Next Phase of Engagement on an Open-Air Burning Emission Regulation”, dated May 18, 2021.

*Adopted on Consent*

**4.3 Air Quality and Climate Action Initiatives in Caring for the Air 2021**

Report dated May 10, 2021, from Amy Thai, Senior Policy Analyst, Parks and Environment, presenting the 2021 edition of the annual *Caring for the Air* publication and providing information about outreach activities conducted for the 2020 edition to raise awareness about climate change and air quality initiatives in the Lower Fraser Valley airshed.

*Recommendation:*

That the MVRD Board receive for information the report dated May 10, 2021, titled “Air Quality and Climate Action Initiatives in *Caring for the Air 2021*”.

*Adopted on Consent*

**5.1 Greater Vancouver Regional Fund – 2020 Annual Report**

Report dated June 2, 2021, from Mark Seinen, Senior Planner, Regional Planning and Housing Services, presenting the MVRD Board with TransLink’s 2020 annual report on active projects funded by federal gas tax funds through the Greater

Vancouver Regional Fund in accordance with the *Federal Gas Tax Fund Expenditures Policy*.

*Recommendation:*

That the MVRD Board receive for information the report dated June 2, 2021, titled “Greater Vancouver Regional Fund – 2020 Annual Report.”

*Adopted on Consent*

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

**3.1 Draft Metro 2050: Referral for Comment**

Report dated May 25, 2021, from Sean Galloway, Director, Regional Planning and Electoral Area Services and Erin Rennie, Senior Planner, Regional Planning and Housing Services, providing the MVRD Board with the draft of *Metro 2050* and recommending that the draft of *Metro 2050* be sent out to member jurisdictions and stakeholders for comments.

9:08 a.m. Director Dominato arrived at the meeting.

Members were provided a presentation on a draft of *Metro 2050*, highlighting the timeline, scope of the updates and the next phases.

Presentation material titled “Draft *Metro 2050*: Referral for Comment” is retained with the June 25, 2021 MVRD Board agenda.

9:12 a.m. Alternate Director Dueck arrived at the meeting.

**It was MOVED and SECONDED**

That the MVRD Board refer the draft of *Metro 2050* attached to the report titled “Draft *Metro 2050*: Referral for Comment”, dated May 25, 2021 for comment including to the following:

- i. signatories to the regional growth strategy including: Mayors and Councils of Metro Vancouver member jurisdictions; the TransLink Board; the Squamish-Lillooet Regional District Board; the Fraser Valley Regional District Board; and
- ii. other members of the *Metro 2050* Intergovernmental Advisory Committee including: in region First Nations; the Province of BC; the Agricultural Land Commission; Vancouver Coastal Health; Fraser Health; BC Housing; BC Hydro; University Endowment Lands; Bowen Island; City of Abbotsford; City of Chilliwack; District of Mission; Integrated Partnership for Regional Emergency Management; Simon Fraser University; Kwantlen Polytechnic University; University of British Columbia; Vancouver Fraser Port Authority; Transport Canada; Canada Mortgage and Housing Corporation; and Vancouver International Airport Authority.

**CARRIED**

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

**1.1 MVRD Procedure Amending Bylaw No. 1322, 2021**

Report dated June 2, 2021, from Chris Plagnol, Corporate Officer, Board and Information Services, seeking the MVRD Board's approval of the *Metro Vancouver Regional District Procedure Amending Bylaw Number 1322, 2021*, a bylaw to limit the participation of delegations wishing to speak at board or committee meetings about ongoing contract awards.

**It was MOVED and SECONDED**

That the MVRD Board give first, second and third reading to *Metro Vancouver Regional District Procedure Amending Bylaw Number 1322, 2021*.

**CARRIED**

**It was MOVED and SECONDED**

That the MVRD Board pass and finally adopt *Metro Vancouver Regional District Procedure Amending Bylaw Number 1322, 2021*.

**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 25, 2021.

**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 25, 2021 pursuant to the *Community Charter* provisions, Section 90 (1) (e), (g) and 90 (2) (b) 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:

- (e) the acquisition, disposition or expropriation of land or improvements, if the board or committee considers that disclosure could reasonably be expected to harm the interests of the regional district;
- (g) litigation or potential litigation affecting the regional district; and

- 90 (2) A part of a meeting must be closed to the public if the subject matter being considered relates to one or more of the following:
- (b) the consideration of information received and held in confidence relating to negotiations between the regional district and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party.”

**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 25, 2021.

**CARRIED**

(Time: 9:19 a.m.)

CERTIFIED CORRECT

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Chris Plagnol, Corporate Officer

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Sav Dhaliwal, Chair

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To: MVRD Board of Directors

From: Indigenous Relations Committee

Date: July 9, 2021 Meeting Date: July 30, 2021

Subject: **Local Government Responses to the Discovery of an Unmarked Burial Site Near Kamloops Indian Residential School**

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**INDIGENOUS RELATIONS COMMITTEE RECOMMENDATION**

That the Board Chair write the Prime Minister urging the federal government to fully implement the Truth and Reconciliation Commission's Calls to Action attributed to the Government of Canada, particularly any additional supports needed to address Calls to Action 71 to 76 relating to information on missing residential school children and burial records.

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At its July 8, 2021 meeting, the Indigenous Relations Committee considered the attached report titled "Local Government Responses to the Discovery of an Unmarked Burial Site Near Kamloops Indian Residential School", dated June 25, 2021. The Indigenous Relations Committee considered the importance of writing a letter in response to the discovery of the unmarked burial site near Kamloops Indian Residential School. The Committee subsequently passed the recommendation above.

This matter is now before the Board for its consideration.

**Attachment**

"Local Government Responses to the Discovery of an Unmarked Burial Site Near Kamloops Indian Residential School", dated June 25, 2021

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To: Indigenous Relations Committee

From: Marino Piombini, Program Manager, Indigenous Relations, Legal Services & Indigenous Relations

Date: June 25, 2021 Meeting Date: July 8, 2021

Subject: **Local Government Responses to the Discovery of an Unmarked Burial Site Near Kamloops Indian Residential School**

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### **RECOMMENDATION**

That the Indigenous Relations Committee receive for information the report dated June 25, 2021, titled "Local Government Responses to the Discovery of an Unmarked Burial Site Near Kamloops Indian Residential School."

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### **EXECUTIVE SUMMARY**

This information report, prepared at the request of the Chair of the Indigenous Relations Committee, provides examples of local government responses to the discovery of an unmarked burial site near Kamloops Indian Residential School as well as examples of actions undertaken by Metro Vancouver to date, and a message from the Tk'emlúps te Secwépemc (Kamloops Indian Band) on suggestions for supporting the First Nation in its investigation. This report also includes an attachment with additional sources of information on key related topics such as the *Indian Act*, Residential Schools and the Truth and Reconciliation Commission of Canada.

### **PURPOSE**

To provide the Indigenous Relations Committee with an update on local government responses to the discovery of an unmarked burial site near Kamloops Indian Residential School.

### **BACKGROUND**

This report has been prepared at the request of the Chair of the Indigenous Relations Committee and relates to the various local government responses to the May 27, 2021 finding of the unmarked burial site of 215 children near the Kamloops Indian Residential School. On June 24, 2021, it was announced by the Cowessess First Nation in Saskatchewan that 751 unmarked burial sites had been located. This report focusses on the findings in Kamloops.

In the recently updated *2019-2022 Board Strategic Plan*, Metro Vancouver Board renewed its commitment "to strengthen relationships with First Nations by exploring new pathways to reconciliation..."

### **Discovery of an Unmarked Burial Site Near Kamloops Indian Residential School**

On May 27, 2021, Chief Rosanne Casimir of the Tk'emlúps te Secwépemc First Nation (Kamloops Indian Band), along with the help of a ground-penetrating radar specialist, confirmed the presence of



the remains of the 215 children at an unmarked burial site in a former residential school in Kamloops. Many of them were presumed missing by family members and friends.

Of the 139 Indian Residential Schools in Canada, the National Centre for Truth and Reconciliation lists 22 residential schools that once operated in British Columbia, including one in the Metro Vancouver region: St. Paul's Residential School in North Vancouver. So far the National Centre for Truth and Reconciliation has registered 415 deceased children in residential schools in British Columbia between 1891 and 1981.

Of the 150,000 Indigenous children that attended residential schools in Canada, the Truth and Reconciliation Commission identified more than 4,100 children who died of disease or accidents and reported that potentially over 6,000 children never returned home. However, that figure could be as high as 15,000 according to some Indigenous leaders.

### **Metro Vancouver's Response**

Metro Vancouver has undertaken the following actions in response to the Kamloops discovery:

- Release of a public statement by the Board Chair;
- Statements made by elected officials, senior managers and staff as part of the land acknowledgements at the start of Board and committee meetings and in meetings with First Nations;
- All flags on Metro Vancouver properties flown at half-mast for 215 hours;
- Information made available to staff in an Intranet article;
- Metro Vancouver's Chief Administrative Officer sending out an e-mail to all staff about the Kamloops discovery, including details on how to seek mental health support and assistance for those individuals that may have been personally affected by the discovery;
- Making "Every Child Matters" lapel buttons available upon request to Metro Vancouver staff and senior management.
- Distributing small booklets on the Truth and Reconciliation Calls to Action and the *United Nations Declaration on the Rights of Indigenous Peoples*, available upon request, to Metro Vancouver staff and senior management;
- Referencing the Kamloops discovery on National Indigenous Peoples Day at the Lunch and Learn event for Metro Vancouver staff that featured Semiahmoo First Nation's Chief and one of the Councillors.

## Local Government Responses

Local governments in British Columbia have responded in many different ways to the discovery of the burial site near the Kamloops Indian Residential School:

- Many local governments released public statements about the discovery and provided information to their residents about the residential school system in Canada, including the development of webpages on First Nations history and links to the Truth and Reconciliation Commission's work and *Calls to Action*.
- Moments of silence have been observed as part of Council meetings or at other events.
- Letters of condolences have been sent by some local governments to the Chief of the Tk'emlúps te Secwépemc.
- City staff and elected officials have worn orange shirts as a show of support for the "Every Child Matters" campaign and encouraged citizens to reflect on Indian Residential School victims and survivors on Canada Day.
- Land acknowledgements at the start of civic meetings or meetings with First Nations have been accompanied by statements about the Kamloops discovery.
- Other actions have included: open and private letters of condolences to the Tk'emlúps te Secwépemc, as well as to their own neighbouring First Nation communities; the flying of flags at half-mast for 215 hours in memory of each of the young victims; special statements on websites; having city buildings lit in orange colour; and countless memorials outside city halls (including children's shoes, stuffed toys, and flowers).
- Many local government leaders have also called upon the federal government to provide funding to the Tk'emlúps te Secwépemc First Nation to aid in the search and identification of the bodies as well as to search sites near other residential schools in British Columbia.
- Other local governments have called upon the federal and provincial governments to fulfill many of the outstanding senior government commitments to the 94 *Calls to Action* recommended by the Truth and Reconciliation Commission in 2015.
- At the local government staff level, there have also been renewed calls for more educational resources and awareness training courses about Indian Residential Schools and the work of the Truth and Reconciliation Commission of Canada. A list of resources is available in Attachment 1.
- The discovery of the grave sites has also led to renewed commitments to reconciliation by some local governments as well as changes or proposed changes to the names of city streets or buildings, such as schools, named after early colonial leaders (such as Joseph Trutch) or to the cancellation of online Canada Day festivities by others as local Indigenous communities mourn the losses of the 215 children in Kamloops and the 751 children in Saskatchewan.

### **Request by Tk'emlúps te Secwépemc**

On June 3, 2021, Tk'emlúps te Secwépemc Chief Rosanne Casimir released a public statement on how to support her First Nation at this time (Attachment 2). Her suggestions include:

- Paying respects at the memorial set up in front of the Kamloops Indian Residential School;
- Respecting cultural, protocols as well as protocols for ceremonies and gatherings near the burial sites in Kamloops, while also upholding provincial health orders;
- Reading the *Calls to Action* from the Truth and Reconciliation Commission (specifically *Calls to Action* 71-76 that deal with missing children and burial information);
- Learning about intergenerational trauma;
- Making financial contributions and donations to the Tk'emlúps te Secwépemc to be used towards the work that is needed for further investigation (scientific and archival) and later memorialize the children (in collaboration with and shaped by Tk'emlúps te Secwépemc members, home communities and families of the children);
- Offering expertise or information to the First Nation in Kamloops; and
- Following Tk'emlúps te Secwépemc on social media sites for the latest details on this situation.

Tk'emlúps te Secwépemc endeavours to provide regular updates on the discovery along with additional information on any assistance that may be required by the First Nation as it embarks upon its investigation of the unmarked burial sites.

### **ALTERNATIVES**

This is an information report. No alternatives are presented.

### **FINANCIAL IMPLICATIONS**

There are no financial implications with respect to this information report.

### **CONCLUSION**

This information report was requested by the Chair of the Indigenous Relations Committee and is intended to provide an update on local government responses to the discovery of unmarked burial sites near Kamloops Indian Residential School as well as additional sources of information on the *Indian Act*, Indian Residential Schools and the Truth and Reconciliation Commission of Canada.

### **Attachments**

1. Reference Material on the *Indian Act*, Residential Schools, and the Truth and Reconciliation Commission of Canada.
2. How to support Tk'emlúps te Secwépemc (Kamloops Indian Band) – Office of the Chief – June 3, 2021.

## Attachment 1

### Reference Material on the *Indian Act*, Residential Schools, and the Truth and Reconciliation Commission of Canada

Truth and Reconciliation Commission of Canada: <i>Calls to Action</i>	<a href="http://www.trc.ca/assets/pdf/Calls_to_Action_English2.pdf">http://www.trc.ca/assets/pdf/Calls_to_Action_English2.pdf</a>
Government of Canada, Crown-Indigenous Relations and Northern Affairs Canada, links on how the Government of Canada is working to advance reconciliation	<a href="https://www.rcaanc-cirnac.gc.ca/eng/1400782178444/1529183710887">https://www.rcaanc-cirnac.gc.ca/eng/1400782178444/1529183710887</a>
National Centre for Truth and Reconciliation, Every Child Matters	<a href="https://education.nctr.ca/everychildmattersresources/">https://education.nctr.ca/everychildmattersresources/</a>
Orange Shirt Day Information	<a href="https://www.orangeshirtday.org/about-us.html">https://www.orangeshirtday.org/about-us.html</a>
National Centre for Reconciliation, Educational Resources	<a href="https://nctr.ca/education/">https://nctr.ca/education/</a>
National Centre for Reconciliation, <i>Honouring the Truth, Reconciling for the Future, Summary of the Final Report of the Truth and Reconciliation Commission of Canada</i>	<a href="http://nctr.ca/assets/reports/Final%20Reports/Executive_Summary_English_Web.pdf">http://nctr.ca/assets/reports/Final%20Reports/Executive_Summary_English_Web.pdf</a>
National Centre for Reconciliation, Residential School Timeline	<a href="https://nctr.ca/exhibits/residential-school-timeline/">https://nctr.ca/exhibits/residential-school-timeline/</a>

Resources from First Nations Child & Family Caring Society	<a href="https://t.co/CHNGgnP03A?amp=1">https://t.co/CHNGgnP03A?amp=1</a>
<i>Shin-chi's Canoe</i> (Film for children about residential school, based on the book by Nicola Campbell)	<a href="https://www.youtube.com/watch?app=desktop&amp;d=n&amp;feature=youtu.be&amp;fbclid=IwAR3KpWK1hxmxxp61l7l2mhLqC3x6mihXLghJYFPZ_AwIUxrNLNb6OI05KD8&amp;v=rhNV9hnXAJQ">https://www.youtube.com/watch?app=desktop&amp;d=n&amp;feature=youtu.be&amp;fbclid=IwAR3KpWK1hxmxxp61l7l2mhLqC3x6mihXLghJYFPZ_AwIUxrNLNb6OI05KD8&amp;v=rhNV9hnXAJQ</a>
The Canadian Children's Book Centre, Theme Guide Reconciliation	<a href="https://bookcentre.ca/theme-guide-reconciliation">https://bookcentre.ca/theme-guide-reconciliation</a>
Article on <i>21 Things You May Not Know About The Indian Act</i>	<a href="https://www.vancouverisawesome.com/latest-news/21-things-you-may-not-know-about-canadas-indian-act-3843260">https://www.vancouverisawesome.com/latest-news/21-things-you-may-not-know-about-canadas-indian-act-3843260</a>
CBC, Beyond 94: Truth and Reconciliation in Canada (Interactive progress chart)	<a href="https://newsinteractives.cbc.ca/longform-single/beyond-94?&amp;cta=1">https://newsinteractives.cbc.ca/longform-single/beyond-94?&amp;cta=1</a>
Twitter Thread on how Residential schools benefited Settlers and facilitated land theft	<a href="https://twitter.com/KamloopsArchaeo/status/1400309120255762432">https://twitter.com/KamloopsArchaeo/status/1400309120255762432</a>

### **Additional Information, Assistance and Support**

Support is available for anyone affected by the lingering effects of residential schools, and those who are triggered by the latest reports. The Indian Residential School Survivors Society can be contacted toll-free at 1-800-721-0066.

A national Indian Residential School Crisis Line has been set up to provide support for former students and those affected. Access emotional and crisis referral services by calling the 24-hour national crisis line: 1-866-925-4419.

Within British Columbia, the KUU-US Crisis Line Society provides a First Nations and Indigenous-specific crisis line available 24 hours a day, seven days a week. It's toll free and can be reached at 1-800-588-8717 or online at [kuu-uscrlsline.com](http://kuu-uscrlsline.com).



*Tkemlúps te Secwépemc*

(Kamloops Indian Band)

OFFICE OF THE CHIEF

### How to support Tkemlúps te Secwépemc– June 3, 2021

There has been an outpouring of support for our community. Thank you for helping us bring to light such hard truths that came from the preliminary findings regarding the unmarked burial sites of Kamloops Indian Residential School students so that we may begin the process of honouring the lost loved ones who are in our caretaking.

Many have asked how they can support Tkemlúps te Secwépemc. Here are some suggestions.

- A. **Please be respectful of Tkemlúps te Secwépemc cultural protocols and primary lead as the caretaker of these lost loved ones.** We are doing so with love, honour, and respect. We have and will continue to reach out to communities and Nations whose members attended the Kamloops Indian Residential School to determine the next steps.
- B. **Help ensure that there is not a tragedy upon a tragedy and uphold all Provincial Health and Safety orders.** So many people throughout the province have been traumatized and are grieving because of this news and wanting to come together in ceremony and prayer. Please remember that we are still in the midst of a pandemic and Tkemlúps te Secwépemc members have not had their second Covid-19 vaccination.
- C. **Protocols for Ceremony and Gatherings** - For individuals or groups that want to hold gathering /ceremonies in the TteS community, it is appropriate protocol to have permission and approval of the TteS Chief and Council. It also assists the community in planning and preparation.
- D. **Not clear or aware of the real history of residential school? Review the Truth and Reconciliation Commission (TRC) Final Report and Calls to Action.** In doing so, you are upholding the heavy lifting already done by the survivors, intergenerational survivors, and the TRC. In addition, to show your solidarity, we encourage you to wear an orange shirt and start conversations with your neighbours about why you are doing so.

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200-330 Chief Alex Thomas Way, Kamloops BC V2H 1H1

Phone: 250-828-9700 Fax: 250-372-8833

[www.tkemlups.ca](http://www.tkemlups.ca)



- E. For non-Indigenous people, now is not the time to ask questions but to simply offer a kind ear to your Indigenous friends. This situation has opened a wound for so many. Please also take the time to learn about intergenerational trauma and its effects.
- F. There is a memorial in front of the Kamloops Indian Residential School where you can leave notes, flowers or just to come to pay your respects in a COVID safe way.
- G. Many have asked if there was a way to make a financial contribution to support Tkemlúps te Secwépemc in the process of honouring and learning more about the lost children in their caretaking. Donations will be used toward the work that is needed for further investigation (scientific and archival) and later memorialize the children (in collaboration with and shaped by TteS members, home communities and families of the children). Donations can be made at [donations@kib.ca](mailto:donations@kib.ca). Cheques can be made out to Tkemlúps te Secwépemc and mailed to 200-330 Chief Alex Thomas Way, Kamloops, BC V2H 1H1
- H. If you have an expertise that Tkemlúps te Secwépemc may be able to make use of, please contact Ted Gottfriedson, Manager, Tkemlúps te Secwépemc Culture and Language Department at [Ted.Gottfriedson@kib.ca](mailto:Ted.Gottfriedson@kib.ca)
- I. If you have information about those that may be buried on this site, please contact Ted Gottfriedson, Manager, Tkemlúps te Secwépemc Culture and Language Department at [Ted.Gottfriedson@kib.ca](mailto:Ted.Gottfriedson@kib.ca)
- J. Please follow us on Facebook or monitor our website for the latest news. Tkemlúps te Secwépemc will continue to provide updates on this situation as they become available.



*Kukwstép-kucw (on behalf of all of us, we thank you all) for the outpouring of love, prayers for our community and all those impacted by this tragic finding.*



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200-330 Chief Alex Thomas Way, Kamloops BC V2H 1H1  
Phone: 250-828-9700 Fax: 250-372-8833  
[www.tkemlups.ca](http://www.tkemlups.ca)



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To: MVRD Board of Directors

From: Mayors Committee

Date: July 9, 2021

Meeting Date: July 30, 2021

Subject: **Municipal Director Appointment Process**

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**MAYORS COMMITTEE RECOMMENDATION**

That the MVRD Board request the Ministry of Municipal Affairs to amend the *Local Government Act*, in section 198 [appointment and term of office for municipal directors], as necessary to require municipal councils to appoint the Mayor, or the Mayor's designate, as the municipal director to the regional district board.

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At its July 9, 2021 meeting, the Mayors Committee considered the attached report titled "Municipal Director Appointment Process", dated June 18, 2021. The committee discussed seeking a statutory amendment to the provisions in the *Local Government Act* to require the appointment of the Mayor or designate as the municipal director on the regional district board. The Committee subsequently adopted the recommendation as presented above in underline style.

This matter is now before the Board for its consideration.

**Attachment**

"Municipal Director Appointment Process", dated June 18, 2021

46632665



To: Mayors Committee

From: Chris Plagnol, Corporate Officer

Date: June 18, 2021

Meeting Date: July 9, 2021

Subject: **Municipal Director Appointment Process**

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### **RECOMMENDATION**

That the Mayors Committee receive for information the report dated June 18, 2021, titled "Municipal Director Appointment Process".

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### **EXECUTIVE SUMMARY**

BC's regional districts are each governed by a board of directors which is composed of municipal directors, Treaty First Nations directors, and electoral area directors representing their local jurisdictions. As set out in the *Local Government Act*, the electoral area director is elected to the board, while the other directors are appointed. The decision to appoint rests with the municipal council or the treaty first nation governing body. The Act does not stipulate any criteria in making those appointment decisions, such as the Mayor should be the default appointment. To do so would require a statutory amendment to the *Local Government Act*.

### **PURPOSE**

To outline the process and procedures related to the appointment of municipal directors to the Metro Vancouver board.

### **BACKGROUND**

At its meeting of May 26, 2021, the Mayors Committee discussed the process by which directors, particularly Mayors or their designates, are appointed to the regional district board, and adopted the following resolution:

*That the Mayors Committee direct staff to review the process and procedures for Mayor or their designate and Director appointments and report back.*

This report provides for the committee's consideration information on the municipal director appointment process.

### **REGIONAL DISTRICT GOVERNANCE**

The 27 regional districts in BC are modeled as a federation composed of municipalities, electoral areas, and Treaty First Nations, each of which has representation on the regional district board. The board is the governing body of the regional district, and is ultimately responsible for the services provided and the actions taken. This board is composed of one or more directors appointed from each member municipal council and each Treaty First Nation governing body, and of one or more directors elected from each electoral area, based on the population of the jurisdiction represented.

### **Metro Vancouver's Boards**

In Metro Vancouver's case, the MVRD board represents 21 municipalities, one Electoral Area and one Treaty First Nation, composed of 40 directors as follows:

- 38 municipal directors
- 1 treaty first nation director
- 1 electoral area director

It is important to note that in addition to the MVRD Board, Metro Vancouver is also governed by 3 other boards. The *GVS&DD Act* provides that the GVS&DD board comprises those persons who are directors for each jurisdiction within the GVS&DD on the MVRD board, together with the electoral area director. The *GVWD Act* contains a similar provision. Finally, the *MVHC Articles of the Company* stipulate that the directors for the MVHC board will mirror those appointed to the MVRD board.

### **Appointment Process**

The *Local Government Acts* sets out the procedure for the appointment of directors. For municipal directors, section 198 of the Act states:

After the first appointment under section 41 (2) (e) [*first board for regional district*], each municipal director is to be appointed at pleasure by the council from among its member.

There is a significant phrase in this section and that is that each municipal director is to be appointed at pleasure by the council from among its members. This means that the decision to appoint (or remove) municipal directors rests entirely with the municipal council (as does the appointment of Alternate Directors, which is not addressed in this report). The Act does not stipulate any criteria in making those appointment decisions, such as the Mayor or Mayor's designate should be the default appointment, followed by councillors.

Since 1965, the *Municipal Act* (now *Local Government Act*) stipulated that municipal directors were appointed annually (after 2000, this provision was changed to "at the pleasure of council"). And since 1965, there have been no criteria constraining municipal council's appointment decision.

Electoral area directors and treaty first nation directors follow different provisions. The electoral area director is directly elected for a four-year term until the next general local election, as set out in section 199 of the Act. The treaty first nation director is appointed by the nation's governing body and does not follow the "at pleasure" provision described above, but rather the term is set in accordance with section 254 of the Act.

If the MVRD Board wishes to make changes to the appointment process presented above, the next step would be to seek legislative change to the *Local Government Act*. In this case, the statutory change would affect all regional district boards in BC. The Ministry would have to consider the effect of this more global change, and may restrict this provision to Metro Vancouver only and/or conclude that the same amendment is appropriate for other regional district boards.

## **ALTERNATIVES**

This is an information report. No alternatives are presented.

## **FINANCIAL IMPLICATIONS**

Directors appointed to the regional district board are remunerated in accordance with the Remuneration Bylaw. The process to appoint directors to the board does not affect the remuneration budget.

## **CONCLUSION**

The process to appoint directors (municipal directors, treaty first nation directors, and electoral area directors) to regional district boards is prescribed by the *Local Government Act*. While the electoral area directors are directly elected to the boards, the municipal directors and treaty first nation directors are appointed by their municipal council and governing body respectively. The Act does not stipulate that the municipal director appointment must be the Mayor or the Mayor's designate. As such, to introduce any appointment selection criteria for municipal directors would require a statutory amendment. This information is brought forward for the committee's information.

46272792

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To: Regional Parks Committee

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

Date: July 2, 2021 Meeting Date: July 14, 2021

Subject: **Colony Farm Regional Park - Colony Farm 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 Colony Farm Park Association for a one-year term in the amount of \$10,000 commencing January 1, 2022 and ending December 31, 2022.

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### **EXECUTIVE SUMMARY**

The 2021-2025 Metro Vancouver Regional Parks 5-year financial plan includes annual allocations in 2022 for seven park associations active in regional parks. Funding will be used to support opportunities for citizens to help preserve, protect and enhance regional parks, while advocating for greater public connection to nature.

This contribution agreement proposes a one-year funding amount of \$10,000 for the Colony Farm Park Association. The Association has elected to continue with a one-year contribution agreement as they are currently undertaking long term strategic planning for future program delivery, and managing services during the ongoing COVID-19 pandemic. The proposed funding supports the Association's capacity to provide community benefit to Metro Vancouver Regional Parks through their many volunteer programs and services.

### **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, 2021. In 2021, Colony Farm Park Association received \$10,000 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.

The range of key deliverables includes:

- enabling the Colony Farm Park Association's board of directors (the "**Board**") 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 the 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.

Regional Parks is conducting a Community Relationships Strategy in 2021. One of the goals of this project is to analyze Regional Parks' role with our seven park associations and determine if the current model is serving Metro Vancouver's goals. Staff will be reporting out on the project early in 2022.

### **CONTRIBUTION AGREEMENT**

The Colony Farm Park Association has fulfilled its prior year reporting requirements. The Association's 2020 Annual Report is available for review upon request. The Colony Farm Park Association will submit a final report to MVRD at the conclusion of this proposed contribution agreement as per the terms of the agreement.

#### **Term**

- The term of the proposed agreement commences January 1, 2022 and ends on December 31, 2022.
- 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, the park association is unable to meet its agreed obligations, on 90 days' written notice by MVRD, or if the park association makes changes to the plan or services under the agreement without the prior approval of MVRD.

#### **Activities and Services**

In 2020, the Colony Farm Park Association:

- committed 120 volunteer hours within the limits of public health orders and supported indirect volunteer hours through iNaturalist data collection;
- provided vegetation management, monitoring and mapping of invasive plant species, removal of invasive plant species, and amphibian monitoring;

- replaced in-person special events with online and virtual nature education and awareness initiatives;
- hosted a virtual workshop for all interested parties to gain common understanding of Metro Vancouver bat management decisions and current studies undertaken on bats at Colony Farm Regional Park;
- helped lead a collaboration between all park associations, CTS Youth Society and Pacific Parklands Foundation to utilize iNaturalist for online volunteer engagement in regional parks; and
- successfully applied for a George Ross Legacy Stewardship Program grant and completed planning for the volunteer stewardship events and a citizen science monitoring program around the newly built wetland on the Sheep Paddocks trail.

It is proposed that 2022 funds will be used to secure a volunteer coordinator to continue managing work parties, plan events and support outreach and education initiatives.

### **COVID-19 UPDATE**

All park association coordinators continued to work during the pandemic. Most park association public events and stewardship activities were cancelled during the past year following Metro Vancouver's direction. Some coordinators created online initiatives. The park association boards assigned other duties to their coordinators, with a focus on planning for future activities, and administrative tasks to support volunteer programs.

With the move to Step 3 of BC's Restart plan on July 1, most stewardship activities have resumed as coordinators are now able to fully engage with community volunteers again. Outdoor organized gatherings are now permitted with full participation.

At Colony Farm Regional Park specifically, the park association coordinator has been:

- continuing nature education outreach through social media channels;
- continuing independent stewardship work;
- co-leading virtual iNaturalist projects for the entire regional parks system; and
- grant writing and planning for future stewardship projects.

It is expected that park association activities will return to pre-pandemic levels in 2022.

### **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 \$10,000 commencing January 1, 2022 and ending December 31, 2022.
2. That the MVRD Board receive for information the report dated July 2, 2021, titled "Colony Farm Regional Park - Colony Farm Park Association Contribution Agreement" and provide alternate direction to staff.

## FINANCIAL IMPLICATIONS

The 2021 - 2025 Metro Vancouver Regional Parks 5-year financial plan included an \$87,000 annual allocation 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 \$10,000 for the Colony Farm Park Association. If the MVRD Board approves Alternative 1, Regional Parks will continue to include a provision for this funding as a portion of its overall budget.

**Table A – 2022 Projected Allocations**

Boundary Bay	\$0*
Burnaby Lake	\$15,000
Colony Farm	\$10,000
Derby Reach / Brae Island	\$15,000
KEEPS	\$15,000
Minnekhada	\$15,000
Pacific Spirit	\$15,000
<b>TOTAL</b>	<b>\$85,000</b>

\*Boundary Bay Park Association will operate in 2022 without a need for additional funding from Metro Vancouver Regional Parks. Staff fully expect that the Association will once again request funding for 2023.

If approved, payment will be made to the Colony Farm Park Association by January 31, 2022.

## 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

45722956

CONTRIBUTION AGREEMENT

THIS AGREEMENT made the \_\_\_\_ day of \_\_\_\_\_, 2021

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 Recipient is to protect and care for, in perpetuity, Colony Farm Regional Park, while upholding the principles of the Land Use Plan. The Recipient 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 park's natural and agricultural areas;
- B. The Recipient has requested to receive, and MVRD has agreed to provide to the Recipient, funds for a purpose beneficial to the community or an aspect of the community; and
- C. Section 263(1)(c) of the *Local Government Act* provides that MVRD may provide assistance for the purpose of benefitting the community or any aspect of the community.

**NOW THEREFORE**, in consideration of the premises, terms and conditions contained in this Agreement (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree as follows:

**1.0 INTERPRETATION**

In this Agreement the following terms have the following meanings:



**“Agreement”** means this agreement and the schedules appended hereto, as may be amended by the parties from time to time.

**“Funds”** has the meaning set forth in Section 4.3.

**“Indemnified Parties”** has the meaning set forth in Section 9.1.

**“Plan”** means the plan set out in Schedule “A” hereto, which sets out the specific Services for which the Recipient may use the Funds.

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

**“Term”** has the meaning set forth in Article 2.0.

## **2.0 TERM**

The term of this Agreement will commence on January 1, 2022, and end on December 31, 2022 (the **“Term”**), unless otherwise terminated as provided herein.

## **3.0 SERVICES**

- 3.1 The Recipient shall only use the Funds to provide the Services in accordance with the terms and conditions of this Agreement and for no other purpose.
- 3.2 The Recipient shall, at MVRD’s written request, provide all information required to enable MVRD to evaluate, using the criteria set out in Schedule “B” hereto, the Recipient’s provision of the Services and use of the Funds.
- 3.3 The Recipient will provide the Services under the terms of the Agreement subject to any applicable bylaws of MVRD and the local municipality, and applicable legislation and regulations and in a manner consistent with any applicable guidelines provided by MVRD from time to time.
- 3.4 MVRD must approve any changes to the Plan or the Services in writing prior to the changes being made during the Term.
- 3.5 If the Recipient makes any changes to the Plan or the Services without the prior approval of MVRD pursuant to Section 3.4, MVRD may, in its sole and absolute discretion, immediately terminate this Agreement. Upon termination by MVRD in accordance with this Section 3.5, 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.

#### **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 MVRD being satisfied, in its sole and absolute discretion, that the Recipient will perform the Services in accordance with the Plan and all requirements under this Agreement.
- 4.3 MVRD shall pay to the Recipient, by cheque or electronic funds transfer, the sum of \$10,000 (the "**Funds**") for the provision of the Services on or before January 31, 2022.

#### **5.0 REPORTING**

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

#### **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 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 during the Term, 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 (10) 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 representative to report to the board of directors of MVRD on the financial position of the Recipient.

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

- 9.1 The Recipient shall indemnify and save harmless MVRD, its elected officials, appointed officers, employees and agents (collectively, the "**Indemnified Parties**") from and against all actions, causes of action, claims, liabilities, damages, losses, costs, legal fees, fees, fines, charges or expenses which the Indemnified Parties or any of them 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 the 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 hereby releases the Indemnified Parties from and waives any claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability which the Recipient may have against the Indemnified Parties or any of them in respect of an act of 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 Indemnified Parties or any of them.

9.3 This Article 9.0 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 fail to perform any of its obligations or covenants hereunder and such failure continues beyond thirty (30) days from delivery by MVRD to the Recipient of written notice specifying the failure and requiring remedy thereof;
- (b) the Recipient make an assignment in bankruptcy or is declared bankrupt; or
- (c) MVRD, in its sole and absolute 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 for any reason whatsoever upon giving ninety (90) days' written notice to the Recipient.

10.3 If MVRD terminates this 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 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 Unless otherwise specified herein, any notice required to be given under this Agreement by any party shall be in writing and will be deemed to have been given if mailed by prepaid

registered mail or delivered to the address of the other party as set forth below, 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, seventy-two (72) hours after the time of mailing, and if delivered by personal delivery, upon the date of delivery. If normal mail 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 by personal delivery in order to ensure prompt receipt thereof.

**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

**12.0 AUTHORIZATION**

The Recipient hereby represents and warrants that the execution and delivery of this Agreement and the completion of the transactions contemplated herein 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 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 assigns.

## **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 between the parties. Neither party will represent or hold itself out to be an agent of the other party and neither party will have any authority to act for or assume any obligations or responsibilities, express or implied, on behalf of the other party.

## **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 with respect to the subject matter hereof is set forth in this document and no representations, warranties or conditions, express or implied, have been made other than those expressed herein.

## **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 the Province of British Columbia.

## **24.0 COUNTERPARTS**

This Agreement may be executed in counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Delivery of an executed signature page to this Agreement by a party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party.

**[Signature Page Follows]**

**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**

---

Jerry W. Dobrovolny, P.Eng., MBA  
Commissioner/Chief Administrative Officer

**For COLONY FARM PARK ASSOCIATION**

---

Jane Thomsing, Chair

**SCHEDULE "A"**  
**Colony Farm Park Association (Recipient)**  
**2022 Plan**

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

- enabling the Recipient's board of directors (the "**Board**") 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 the 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.



## **SCHEDULE "B"**

### **Evaluation**

#### **Oversight:**

MVRD staff regularly interact with the Recipient's Board, paid coordinators and staff/volunteers.

#### **Reporting:**

The Recipient is required to provide:

- records of volunteer hours, events, activities, participants and associated statistics during the Term to MVRD at the beginning of September (year to date) and the beginning of January (for the entire Term). These statistics are included in MVRD's annual business plan report;
- a report outlining accomplishments for the Term, such as funds raised, Board development, new initiatives, number of members, new partnerships, awards and recognition, anecdotal success stories, etc.; and
- a presentation to the Regional Parks Committee summarizing achievements during the Term.

---

To: Regional Parks Committee

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

Date: July 2, 2021 Meeting Date: July 14, 2021

Subject: **Kanaka Creek Regional Park – Kanaka Education and Environmental Partnership Society Contribution Agreement**

---

**RECOMMENDATION**

That the MVRD Board approve the contribution agreement between the Metro Vancouver Regional District and the Kanaka Education and Environmental Partnership Society for a three-year term in the aggregate amount of \$45,000 (\$15,000 in 2022, \$15,000 in 2023 and \$15,000 in 2024), commencing January 1, 2022 and ending December 31, 2024.

---

**EXECUTIVE SUMMARY**

The 2021-2025 Metro Vancouver Regional Parks 5-year financial plan includes annual allocations in 2022 for seven park associations active in regional parks. Funding will be used to support opportunities for citizens to help preserve, protect and enhance regional parks, while advocating for greater public connection to nature.

This contribution agreement proposes a three-year funding amount of \$15,000 per year for the Kanaka Education and Environmental Partnership Society. The proposed funding supports the Society's capacity to provide community benefit to Metro Vancouver Regional Parks through their many volunteer programs and services.

**PURPOSE**

To seek MVRD Board approval to enter into a three-year contribution agreement with the Kanaka Education and Environmental Partnership Society (Attachment).

**BACKGROUND**

This report has been prepared to renew the three-year contribution agreement with the Kanaka Education and Environmental Partnership Society that expires on December 31, 2021. MVRD and the Kanaka Education and Environmental Partnership Society have renewed its agreement regularly since 2002. In the years 2019, 2020 and 2021, the Kanaka Education and Environmental Partnership Society received \$15,000 in funding each year. The primary purpose of these funds is to provide a level of coordination for the Society and to provide capacity to serve the people and communities it reaches through its initiatives. The range of key deliverables includes:

- enabling the Kanaka Education and Environmental Partnership Society's board of directors (the "**Board**") 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 the 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.

Regional Parks is conducting a Community Relationships Strategy in 2021. One of the goals of this project is to analyze Regional Parks' role with our seven park associations and determine if our current model is serving Metro Vancouver's goals. Staff will be reporting out on the project early in 2022.

### **CONTRIBUTION AGREEMENT**

The Kanaka Education and Environmental Partnership Society has fulfilled its prior three-year reporting requirements. The Society's 2018, 2019 and 2020 annual reports are available for review upon request. The Kanaka Education and Environmental Partnership Society will submit an annual report to MVRD at the conclusion of each year of this proposed contribution agreement as per the terms of the agreement.

#### **Term**

- The term of the proposed agreement commences January 1, 2022 and ends on December 31, 2024.
- 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, the Society is unable to meet its agreed obligations, on 90 days' written notice by MVRD, or if the Society makes changes to the plan or services under the agreement without the prior approval of MVRD.

#### **Activities and Services**

In 2020, the Kanaka Education and Environmental Partnership Society:

- contributed in excess of 1,388 volunteer hours within the limits of COVID-19 public health orders;
- delivered more than 118 activities, including stewardship projects and park interpretation and watershed education programs to over 3,036 attendees;
- in response to COVID-19 restrictions, conducted virtual outdoor lessons and shared the YouTube videos with teachers and students, which received 2,845 views; and
- leveraged the MVRD contribution funding to fundraise \$55,000 from such sources as the City of Maple Ridge and BC Community Gaming Grant.

It is proposed that 2022 - 2024 funds will be used to secure a coordinator to leverage and fundraise, market the society through the use of social media, recruit and mentor new volunteers and lead and support stewardship and educational activities at the Kanaka Creek Watershed Stewardship Centre.

### **COVID-19 UPDATE**

All park association coordinators continued to work during the pandemic. Most park association public events and stewardship activities were cancelled during the past year following Metro Vancouver's direction. Some coordinators created online initiatives. The park association boards assigned other duties to their coordinators, with a focus on planning for future activities, and administrative tasks to support volunteer programs.

With the move to Step 3 of BC's Restart plan on July 1, 2021 most stewardship activities have resumed as coordinators are now able to fully engage with community volunteers again. Outdoor organized gatherings are now permitted with full participation.

At Kanaka Creek Regional Park specifically, the park association coordinator has been:

- continuing nature education outreach through social media channels;
- continuing stewardship work with the Coordinator conducting independent work; and
- grant writing and planning for future stewardship projects.

It is expected that park association activities will return to pre-pandemic levels in 2022.

### **ALTERNATIVES**

1. That the MVRD Board approve the contribution agreement between the Metro Vancouver Regional District and the Kanaka Education and Environmental Partnership Society for a three-year term in the aggregate amount of \$45,000 (\$15,000 in 2022, \$15,000 in 2023 and \$15,000 in 2024), commencing January 1, 2022 and ending December 31, 2024.
2. That the MVRD Board receive for information the report dated July 2, 2021, titled "Kanaka Creek Regional Park – Kanaka Education and Environmental Partnership Society Contribution Agreement" and provide alternate direction to staff.

### **FINANCIAL IMPLICATIONS**

The 2021 - 2025 Metro Vancouver Regional Parks 5-year financial plan included an \$87,000 annual allocation 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.

The contribution agreement proposes a funding amount of \$15,000 in 2022 for the Kanaka Education and Environmental Partnership Society. If the MVRD Board approves Alternative 1, funds are available within the 2022 Regional Parks budget to support this application.

**Table A – 2022 Projected Allocations**

Boundary Bay	\$ 0*
Burnaby Lake	\$15,000
Colony Farm	\$10,000
Derby Reach / Brae Island	\$15,000
KEEPS	\$15,000
Minnekhada	\$15,000
Pacific Spirit	\$15,000
<b>TOTAL</b>	<b>\$85,000</b>

\*Boundary Bay Park Association will operate in 2022 without a need for additional funding from Metro Vancouver Regional Parks. Staff fully expect that the association will once again request funding for 2023.

If approved, payment will be made to the Kanaka Education and Environmental Partnership Society annually by January 31 of each year of the three-year agreement.

#### **CONCLUSION**

Alternative 1 meets Metro Vancouver's requirements for the provision of contribution funds to the Kanaka Education and Environmental Partnership Society. Proposed funding supports the Kanaka Education and Environmental Partnership Society'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 – Kanaka Education and Environmental Partnership Society

45724736

CONTRIBUTION AGREEMENT

THIS AGREEMENT made the \_\_\_\_ day of \_\_\_\_\_, 2021

BETWEEN:

**METRO VANCOUVER REGIONAL DISTRICT**

4730 Kingsway  
Burnaby, BC  
V5H 4G8

("MVRD")

AND:

**KANAKA EDUCATION AND ENVIRONMENTAL PARTNERSHIP SOCIETY**

c/o 11450 256<sup>th</sup> Street  
Maple Ridge, BC  
V2W 1H1

(the "Recipient")

WHEREAS:

- A. The Recipient is a non-profit society. The goal of the Recipient is to protect and care for, in perpetuity, Kanaka Creek Regional Park, while upholding the principles of the Land Use Plan. The Recipient 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 park's natural and agricultural areas;
- B. The Recipient has requested to receive, and MVRD has agreed to provide to the Recipient, funds for a purpose beneficial to the community or an aspect of the community; and
- C. Section 263(1)(c) of the *Local Government Act* provides that MVRD may provide assistance for the purpose of benefitting the community or any aspect of the community.

**NOW THEREFORE**, in consideration of the premises, terms and conditions contained in this Agreement (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree as follows:

**1.0 INTERPRETATION**

In this Agreement the following terms have the following meanings:

"**Agreement**" means this agreement and the schedules appended hereto, as may be amended by the parties from time to time.

**“Funds”** has the meaning set forth in Section 4.3.

**“Indemnified Parties”** has the meaning set forth in Section 9.1.

**“Plan”** means the plan set out in Schedule “A” hereto, which sets out the specific Services for which the Recipient may use the Funds.

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

**“Term”** has the meaning set forth in Article 2.0.

## **2.0 TERM**

The term of this Agreement will commence on January 1, 2022, and end on December 31, 2024 (the **“Term”**), unless otherwise terminated as provided herein.

## **3.0 SERVICES**

- 3.1 The Recipient shall only use the Funds to provide the Services in accordance with the terms and conditions of this Agreement and for no other purpose.
- 3.2 The Recipient shall, at MVRD’s written request, provide all information required to enable MVRD to evaluate, using the criteria set out in Schedule “B” hereto, the Recipient’s provision of the Services and use of the Funds.
- 3.3 The Recipient will provide the Services under the terms of the Agreement subject to any applicable bylaws of MVRD and the local municipality, and applicable legislation and regulations and in a manner consistent with any applicable guidelines provided by MVRD from time to time.
- 3.4 MVRD must approve any changes to the Plan or the Services in writing prior to the changes being made during the Term.
- 3.5 If the Recipient makes any changes to the Plan or the Services without the prior approval of MVRD pursuant to Section 3.4, MVRD may, in its sole and absolute discretion, immediately terminate the Agreement. Upon termination by MVRD in accordance with this Section 3.5, 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.

## **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 MVRD being satisfied, in its sole and absolute discretion, that the Recipient will perform the Services in accordance with the Plan and all requirements under this Agreement.

- 4.3 MVRD shall pay to the Recipient, by cheque or electronic funds transfer, the sum of \$15,000 (the “**Funds**”) for the provision of the Services on or before January 31 of each year of the Term.

## **5.0 REPORTING**

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

## **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 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 during the Term, 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 (10) 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 representative to report to the board of directors of MVRD on the financial position of the Recipient.

## **9.0 INDEMNITY AND RELEASE**

- 9.1 The Recipient shall indemnify and save harmless MVRD, its elected officials, appointed officers, employees and agents (collectively, the “**Indemnified Parties**”) from and against all actions, causes of action, claims, liabilities, damages, losses, costs, legal fees, fees, fines, charges or expenses which the Indemnified Parties or any of them 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 the 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 hereby releases the Indemnified Parties from and waives any claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability which the Recipient may have against the Indemnified Parties or any of them in respect of an act of 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 Indemnified Parties or any of them.

9.3 This Article 9.0 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 fail to perform any of its obligations or covenants hereunder and such failure continues beyond thirty (30) days from delivery by MVRD to the Recipient of written notice specifying the failure and requiring remedy thereof;
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- (c) MVRD, in its sole and absolute discretion, determine that any of the Funds are being used in a manner contrary to the Plan or the public interest.

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10.4 The Recipient may terminate this Agreement upon giving thirty (30) days' written notice to 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 Unless otherwise specified herein, any notice required to be given under this Agreement by any party shall be in writing and will be deemed to have been given if mailed by prepaid registered mail or delivered to the address of the other party as set forth below, 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, seventy-two (72) hours after the time of mailing, and if delivered by personal delivery, upon the date of delivery. If normal mail 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 by personal delivery in order to ensure prompt receipt thereof.

**To MVRD:**

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

**To the Recipient:**

Michael Buckingham, Chair  
Kanaka Education and Environmental Partnership Society  
c/o 11450 256<sup>th</sup> Street  
Maple Ridge, BC V2W 1H1

**12.0 AUTHORIZATION**

The Recipient hereby represents and warrants that the execution and delivery of this Agreement and the completion of the transactions contemplated herein 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**

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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 between the parties. Neither party will represent or hold itself out to be an agent

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#### **20.0 WHOLE AGREEMENT**

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

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#### **24.0 COUNTERPARTS**

This Agreement may be executed in counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Delivery of an executed signature page to this Agreement by a party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party.

**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**

---

Jerry W. Dobrovolny, P.Eng., MBA  
Commissioner/Chief Administrative Officer

**For KANAKA EDUCATION AND ENVIRONMENTAL PARTNERSHIP SOCIETY**

---

Michael Buckingham, Chair

**SCHEDULE “A”**  
**Kanaka Education and Environmental Partnership Society (Recipient)**  
**2022-2024 Plan**

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

- enabling the Recipient’s board of directors (the “**Board**”) to achieve broader MVRD outcomes;
- coordinating volunteer work parties;
- managing volunteers;
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- coordinating and/or conducting outreach including social media, displays and booths to increase community awareness;
- coordinating and supporting events;
- coordinating and support fundraising; and
- coordinating programs that include MVRD messaging.

## **SCHEDULE "B"**

### **Evaluation**

#### **Oversight:**

MVRD staff regularly interact with the Recipient's Board, paid coordinators and staff/volunteers.

#### **Reporting:**

The Recipient 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 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: July 2, 2021

Meeting Date: July 14, 2021

Subject: **Pacific Spirit Regional Park - Pacific Spirit Park Society Contribution Agreement**

---

### **RECOMMENDATION**

That the MVRD Board approve the contribution agreement between the Metro Vancouver Regional District and the Pacific Spirit Park Society for a three-year term in the aggregate amount of \$45,000 (\$15,000 in 2022, \$15,000 in 2023 and \$15,000 in 2024), commencing January 1, 2022 and ending December 31, 2024.

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### **EXECUTIVE SUMMARY**

The 2021-2025 Metro Vancouver Regional Parks 5-year financial plan includes annual allocations in 2022 for seven park associations active in regional parks. Funding will be used to support opportunities for citizens to help preserve, protect and enhance regional parks, while advocating for greater public connection to nature.

This contribution agreement proposes a three-year funding amount of \$15,000 per year for the Pacific Spirit Park Society. The proposed funding supports the Society's capacity to provide community benefit to Metro Vancouver Regional Parks through their many volunteer programs and services.

### **PURPOSE**

To seek MVRD Board approval to enter into a three-year contribution agreement with the Pacific Spirit Park Society (Attachment).

### **BACKGROUND**

This report has been prepared to renew the three-year contribution agreement with the Pacific Spirit Park Society that expires on December 31, 2021. MVRD and the Pacific Spirit Park Society have renewed its agreement regularly since 2002. In the years 2019, 2020 and 2021, the Pacific Spirit Park Society received \$15,000 in funding each year. The primary purpose of these requested funds is to provide a level of coordination for the Society and to provide capacity to serve the people and communities it reaches through its initiatives. The range of key deliverables includes:

- enabling the Pacific Spirit Park Society's board of directors (the "**Board**") 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 the 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.

Regional Parks is conducting a Community Relationships Strategy in 2021. One of the goals of this project is to analyze Regional Parks' role with our seven park associations and determine if the current model is serving Metro Vancouver's goals. Staff will be reporting out on the project early in 2022.

### **CONTRIBUTION AGREEMENT**

The Pacific Spirit Park Society has fulfilled its prior three-year reporting requirements. The Society's 2018, 2019 and 2020 annual reports are available for review upon request. The Pacific Spirit Park Society will submit an annual report to MVRD at the conclusion of each year of this proposed contribution agreement as per the terms of the agreement.

#### **Term**

- The term of the proposed agreement commences January 1, 2022 and ends on December 31, 2024.
- This three-year term recognizes the relative maturity/stability of the Pacific Spirit Park Society and the confidence in their ability to commit to and deliver upon a three-year work program.
- 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, the Society is unable to meet its agreed obligations, on 90 days' written notice by MVRD, or if the Society makes changes to the plan or services under the agreement without the prior approval of MVRD.

#### **Activities and Services**

In 2020, the Pacific Spirit Park Society:

- committed more than 680 volunteer hours;
- delivered 36 activities including stewardship work parties, monitoring initiatives and educational programs; and
- removed approximately 700 kg of invasive plants and planted 900 native trees.



It is proposed that 2022 - 2024 funds will be used to secure a program coordinator to help manage and grow a diverse volunteer program, and coordinate work parties, educational events and fundraising campaigns.

#### **COVID-19 UPDATE**

All park association coordinators continued to work during the pandemic. Most park association public events and stewardship activities were cancelled during the past year following Metro Vancouver's direction. Some coordinators created online initiatives. The park association boards assigned other duties to their coordinators, with a focus on planning for future activities, and administrative tasks to support volunteer programs.

With the move to Step 3 of BC's Restart plan on July 1, 2021 most stewardship activities have resumed as coordinators are now able to fully engage with community volunteers again. Outdoor organized gatherings are now permitted with full participation.

It is expected that park association activities will return to pre-pandemic levels in 2022.

#### **ALTERNATIVES**

1. That the MVRD Board approve the contribution agreement between the Metro Vancouver Regional District and the Pacific Spirit Park Society for a three-year term in the aggregate amount of \$45,000 (\$15,000 in 2022, \$15,000 in 2023 and \$15,000 in 2024), commencing January 1, 2022 and ending December 31, 2024.
2. That the Regional Parks Committee receive the report dated July 2, 2021, titled "Pacific Spirit Regional Park - Pacific Spirit Park Society Contribution Agreement" for information and provide alternate direction to staff.

#### **FINANCIAL IMPLICATIONS**

The 2021 - 2025 Metro Vancouver Regional Parks 5-year financial plan included an \$87,000 annual allocation 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 funding amount of \$15,000 in 2022 for the Pacific Spirit Park Society. If the MVRD Board approves Alternative 1, Regional Parks will continue to include a provision for this funding as a portion of its overall budget.

**Table A – 2022 Projected Allocations**

Boundary Bay	\$ 0*
Burnaby Lake	\$15,000
Colony Farm	\$10,000
Derby Reach / Brae Island	\$15,000
KEEPS	\$15,000
Minnekhada	\$15,000
Pacific Spirit	\$15,000
<b>TOTAL</b>	<b>\$85,000</b>

\*Boundary Bay Park Association will operate in 2022 without a need for additional funding from Metro Vancouver Regional Parks. Staff fully expect that the association will once again request funding for 2023.

If approved, payment will be made to the Pacific Spirit Park Society annually by January 31 of each year of the three-year agreement.

#### **CONCLUSION**

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

#### **Attachment**

Contribution Agreement – Pacific Spirit Park Society

45722164

**CONTRIBUTION AGREEMENT**

**THIS AGREEMENT** made the \_\_\_\_ day of \_\_\_\_\_, 2021

**BETWEEN:**

**METRO VANCOUVER REGIONAL DISTRICT**

4730 Kingsway  
Burnaby, BC  
V5H 0C6

("MVRD")

**AND:**

**PACIFIC SPIRIT PARK SOCIETY**

c/o 2448 W 45th Ave  
Vancouver, BC V6M 2J8

(the "**Recipient**")

**WHEREAS:**

- A. The Recipient is a non-profit society. The purpose of the Recipient is to promote the protection of and care for Pacific Spirit Regional Park, an urban forest and foreshore park. The Recipient's activities include:
- advising MVRD, where possible, on the protection and care for the park and in the planning and operation of the park;
  - advising MVRD in such a way as to promote the preservation and protection of the natural resources of the Park;
  - encouraging recreational use of the park that is in harmony with protection of its natural resources;
  - promoting public awareness of the value of the park by developing programs, projects and events in conjunction with MVRD and other interested parties;
  - educating users of the park and the public in general on the significant natural attributes of the park, on the effects of improper treatment of park lands, and on ethical and acceptable standards of behaviour and activity for park users;
  - supporting the goals of the Recipient by the raising of funds; and

- maintaining a broadly-based, inclusive society with a representative board that will actively advance the purposes of the society.
- B. The Recipient has requested to receive, and MVRD has agreed to provide to the Recipient, funds for a purpose beneficial to the community or an aspect of the community; and
- C. Section 263(1)(c) of the *Local Government Act* provides that MVRD may provide assistance for the purpose of benefitting the community or any aspect of the community.

**NOW THEREFORE**, in consideration of the premises, terms and conditions contained in this Agreement (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree as follows:

## **1.0 INTERPRETATION**

In this Agreement the following terms have the following meanings:

**“Agreement”** means this agreement and the schedules appended hereto, as may be amended by the parties from time to time.

**“Funds”** has the meaning set forth in Section 4.3.

**“Indemnified Parties”** has the meaning set forth in Section 9.1.

**“Plan”** means the plan set out in Schedule “A” hereto, which sets out the specific Services for which the Recipient may use the Funds.

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

**“Term”** has the meaning set forth in Article 2.0.

## **2.0 TERM**

The term of this Agreement will commence on January 1, 2022, and end on December 31, 2024 (the **“Term”**), unless otherwise terminated as provided herein.

## **3.0 SERVICES**

- 3.1 The Recipient shall only use the Funds to provide the Services in accordance with the terms and conditions of this Agreement and for no other purpose.
- 3.2 The Recipient shall, at MVRD’s written request, provide all information required to enable MVRD to evaluate, using the criteria set out in Schedule “B” hereto, the Recipient’s provision of the Services and use of the Funds.

- 3.3 The Recipient will provide the Services under the terms of the Agreement subject to any applicable bylaws of MVRD and local municipality, and applicable legislation and regulations and in a manner consistent with any applicable guidelines provided by MVRD from time to time.
- 3.4 MVRD must approve any changes to the Plan or the Services in writing prior to the changes being made during the Term.
- 3.5 If the Recipient makes any changes to the Plan or the Services without the prior approval of MVRD pursuant to Section 3.4, MVRD may, in its sole and absolute discretion, immediately terminate this Agreement. Upon termination by MVRD in accordance with this Section 3.5, 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.

#### **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 MVRD being satisfied, in its sole and absolute discretion, that the Recipient will perform the Services in accordance with the Plan and all requirements under this Agreement.
- 4.3 MVRD shall pay to the Recipient, by cheque or electronic funds transfer, the sum of \$15,000 (the "**Funds**") for the provision of the Services on or before January 31 of each year of the Term.

#### **5.0 REPORTING**

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

#### **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 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 during the Term, 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 (10) 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 representative to report to the board of directors of MVRD on the financial position of the Recipient.

## **9.0 INDEMNITY AND RELEASE**

- 9.1 The Recipient shall indemnify and save harmless MVRD, its elected officials, appointed officers, employees and agents (collectively, the “**Indemnified Parties**”) from and against all actions, causes of action, claims, liabilities, damages, losses, costs, legal fees, fees, fines, charges or expenses which the Indemnified Parties or any of them 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 the 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 hereby releases the Indemnified Parties from and waives any claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability which the Recipient may have against the Indemnified Parties or any of them in respect of an act of 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 Indemnified Parties or any of them.
- 9.3 This Article 9.0 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 fail to perform any of its obligations or covenants hereunder and such failure continues beyond thirty (30) days from delivery by MVRD to the Recipient of written notice specifying the failure and requiring remedy thereof;
  - (b) the Recipient make an assignment in bankruptcy or is declared bankrupt; or
  - (c) MVRD, in its sole and absolute 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 for any reason whatsoever upon giving ninety (90) days’ written notice to the Recipient.
- 10.3 If 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 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 Unless otherwise specified herein, any notice required to be given under this Agreement by any party shall be in writing and will be deemed to have been given if mailed by prepaid registered mail or delivered to the address of the other party as set forth below, 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, seventy-two (72) hours after the time of mailing, and if delivered by personal delivery, upon the date of delivery. If normal mail 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 by personal delivery in order to ensure prompt receipt thereof.

**To MVRD:**

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

**To the Recipient:**

Douglas Crocker, Treasurer  
Pacific Spirit Park Society  
c/o 2448 W 45th Ave  
Vancouver, BC V6M 2J8

## **12.0 AUTHORIZATION**

The Recipient hereby represents and warrants that the execution and delivery of this Agreement and the completion of the transactions contemplated herein 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 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 assigns.

#### **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. Neither party will represent or hold itself out to be an agent of the other party and neither party will have any authority to act for or assume any obligations or responsibilities, express or implied, on behalf of the other party.

#### **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 with respect to the subject matter hereof is set forth in this document and no representations, warranties or conditions, express or implied, have been made other than those expressed herein.

#### **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 the Province of British Columbia.

## **24.0 COUNTERPARTS**

This Agreement may be executed in counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Delivery of an executed signature page to this Agreement by a party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party.

**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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Jerry W. Dobrovolny, P.Eng., MBA  
Commissioner/Chief Administrative Officer

**For PACIFIC SPIRIT PARK SOCIETY**

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Douglas Crocker, Treasurer

**SCHEDULE "A"**  
**Pacific Spirit Park Society (Recipient)**  
**2022 - 2024 Plan**

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

- enabling the Recipient's board of directors (the "**Board**") 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.

## **SCHEDULE "B"**

### **Evaluation**

#### **Oversight:**

MVRD staff regularly interact with Recipient's Board, paid coordinators and staff/volunteers.

#### **Reporting:**

The Recipient 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 presentation to the Regional Parks Committee summarizing achievements once every three years.

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To: Climate Action Committee

From: Nav Hundle, Policy Analyst, Parks and Environment Department

Date: June 22, 2021 Meeting Date: July 16, 2021

Subject: **Metro Vancouver's Achievement of Carbon Neutrality in 2020**

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**RECOMMENDATION**

That the MVRD Board receive for information the report titled "Metro Vancouver's Achievement of Carbon Neutrality in 2020", dated June 22, 2021.

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**EXECUTIVE SUMMARY**

As a signatory to the BC Climate Action Charter, Metro Vancouver has been reporting its climate actions and carbon neutrality status for the past ten years since the beginning of the Climate Action Revenue Incentive Program (CARIP). In May 2021, the Province announced the cancellation of CARIP with the 2020 reporting requirements marking the last year of the program. Although CARIP reporting is not a requirement for 2020, Metro Vancouver has completed a report on a voluntary basis. Metro Vancouver has achieved corporate carbon neutrality for 2020, which is the second year in a row, building on its carbon neutral status in 2019. Carbon neutrality is assessed in accordance with the Charter and the associated Provincial Carbon Neutral Local Government Framework. The report highlights Metro Vancouver's actions to adapt to the changing climate as well as to reduce greenhouse gas (GHG) emissions, and quantifies Metro Vancouver's net corporate carbon footprint. This report demonstrates leadership on climate action and a call for additional action that is needed to extend carbon neutrality from the corporation to the region as a whole by 2050, as set out in the *Climate 2050 Roadmaps*.

**PURPOSE**

To inform the Climate Action Committee of Metro Vancouver's achievement of carbon neutrality as an organization in 2020, as well as implications for meeting the goal of a carbon neutral region by 2050.

**BACKGROUND**

As a signatory to the B.C. Climate Action Charter and participant in the Climate Action Revenue Incentive Program (CARIP) since its launch, Metro Vancouver prepares an annual climate action report to the Province. The Province announced the end of the CARIP program in May 2021 (Reference 1), and confirmed that the only reporting requirement for participating local governments for the 2020 reporting year is the carbon tax rebate form, which is due on August 6, 2021. However, Metro Vancouver has prepared its annual climate action report for the 2020 reporting year on a voluntary basis using the Carbon Neutral Local Government Framework to ensure a continuation of annual public reporting.

The Climate Action Committee 2021 Work Plan identifies reporting on Metro Vancouver's climate action and carbon neutral progress as a priority for 2021.

## **METRO VANCOUVER'S ACHIEVEMENT OF CARBON NEUTRALITY**

In 2020, Metro Vancouver achieved carbon neutrality for the third time since beginning carbon neutral reporting (prior carbon neutral years were 2015 and 2019), and the 2020 reporting year marks the second consecutive year that carbon neutrality has been achieved. Metro Vancouver seeks to:

- 1) take action to reduce the GHG emissions from its buildings, vehicles, and other sources to the extent possible; and
- 2) balance the remaining emissions, which for 2020 was 15,437 tonnes of carbon dioxide equivalents (tCO<sub>2</sub>e), with carbon credits from projects that reduce or avoid GHG emissions.

### **Corporate Climate Leadership**

Metro Vancouver's corporate carbon neutrality is an important performance indicator as it demonstrates leadership on climate action and serves as a 'call to action' for other organizations, businesses and residents to work towards making the entire region carbon neutral by 2050. However, an expansion and acceleration of climate action is needed for Metro Vancouver to maintain its corporate carbon neutral status, and to reduce region-wide emissions to achieve this target. These actions will be the focus of the *Climate 2050 Roadmaps*, as well as the *Clean Air Plan* currently under development. While these planning processes are underway, Metro Vancouver continues to develop and implement critical and time-sensitive actions to reduce corporate and regional emissions.

Metro Vancouver has quantified its corporate GHG emissions for 2020 using the methodology provided under the Provincial Carbon Neutral Local Government Framework. Reportable emissions include those from "traditional services", such as drinking water and wastewater operations, but excludes emissions from services or facilities that are not typically operated or maintained by most local governments, such as landfills, the waste to energy facility, or buildings used for housing. These additional emissions, while outside of the scope of the provincial framework, are tracked by Metro Vancouver and are reported separately (Reference 2).

Metro Vancouver's net corporate carbon footprint consists of core emissions from direct fuel use and emissions from contracted services, balanced by projects that reduce or avoid GHG emissions. In 2020, Metro Vancouver's core emissions had decreased when compared to 2019 emissions (6,661 tCO<sub>2</sub>e in 2019 and 5,366 tCO<sub>2</sub>e in 2020), with some of the emission reductions likely a result of the COVID-19 pandemic and changes to corporate operations, such as decreased fleet and building use. Emissions from contracted services remained relatively unchanged with a total of 9,984 tCO<sub>2</sub>e in 2019 compared to 10,071 tCO<sub>2</sub>e in 2020.

### **Carbon Neutrality in 2020**

Metro Vancouver achieved carbon neutrality in 2020 because its total reportable emissions of 15,437 tCO<sub>2</sub>e were entirely balanced by carbon credits from projects that helped to avoid the release of GHGs or reduce carbon in the atmosphere via sequestration. These projects were led by teams from across the organization and include avoided forest conversion projects, the ecological restoration of Burns Bog (a joint effort with the City of Delta), and the Coquitlam Landfill Gas Capture project. A significant amount of carbon credits that were claimed in the 2020 reporting year were due to the Burns Bog restoration project, which had excess credits in 2019 that were available to carry forward to the 2020 climate action reporting year.

A variety of GHG reduction and credit projects have contributed to carbon neutrality, and it will be necessary to maintain a varied portfolio of carbon neutral projects. Metro Vancouver faces the dual challenge of providing services to a growing population, and increased energy consumption associated with increased levels of service and utility treatment. However, Metro Vancouver is in a unique position to develop a varied portfolio of carbon credit projects, due to park land acquisition, protection of green space, and ongoing development of low-carbon energy generation from liquid waste and solid waste management.

Corporate policy development will continue to play an important role in supporting Metro Vancouver's corporate emissions reductions, such as the *Corporate Carbon Price Policy* and the *Fleet Planning and Acquisition Policy*.

### **Metro Vancouver's Climate Reporting**

The *Metro Vancouver Climate Actions 2020* report is provided as Attachment 1. This report includes a high-level summary of climate actions, and highlights a few key projects, including:

- Net Zero Welcher Avenue Redevelopment (Housing project),
- Park Land Acquisitions (Kanaka Regional Park & Crippen Regional Park),
- Carbon Neutral Protective Coating for Sewers,
- Alternative Fuel and Recyclables Recovery Project,
- Regional Greenways 2050 Plan,
- Regional Growth Strategy: Applying a Climate Lens for the Metro 2050 Policy Review,
- Planning for our Future Water Supply in Metro Vancouver,
- We Love Water Campaign, and
- Liquid Waste Services – Environmental Risk Analysis and Prioritization.

The report was prepared using the 2019 CARIP survey format, and aligns with the provincial Carbon Neutral Framework. Moving forward with reporting for future years, staff will evaluate the format and scope of the annual reporting of corporate GHG emissions, with consideration of emissions from sources that are out of scope for CARIP but in line with global best practices, which include data that to date has been separately reported in Metro Vancouver's Annual Corporate Energy and GHG Emissions Management Report: 2014 to 2018 (Reference 2). As reported to the Committee at its June meeting, staff will be communicating with the Province regarding a potential replacement program for CARIP, and any requirements for reporting that it might include. In addition, a key component of the Climate 2050 Strategic Framework is an annual report on the development and implementation of the *Climate 2050 Roadmaps*, that tracks progress towards established climate targets, and provides updates on climate action projects.

### **Local Carbon Registry for Local Governments**

In order to ensure transparency of tracking and reporting of local government GHG reduction projects, Metro Vancouver has also registered its past and current carbon credit projects with a public registry of local government carbon credits (Reference 3). The Local Carbon Registry is an integrated platform service that can be utilized by local governments to set up their GHG inventory, and register their carbon offset projects and emission reduction progress. The platform allows local governments to share lessons learned, and disclose achievements and progress for GHG reductions in a transparent

manner. The unique nature of the online platform is the accommodation of carbon credit projects established under the Provincial Local Government Carbon Neutral Framework. The Local Carbon Registry has been established in an effort to increase transparency on Metro Vancouver's corporate climate action and GHG emission reduction and sequestration projects.

## **ALTERNATIVES**

This is an information report. No alternatives are presented.

## **FINANCIAL IMPLICATIONS**

The provincial government has announced that 2021 will be the final year of the CARIP program, and as such it is the last year that Metro Vancouver and its member jurisdictions are eligible for a rebate of all carbon taxes paid directly in the prior year. The annual carbon tax rebate received by Metro Vancouver has been used to directly support Metro Vancouver's corporate and regional climate action projects and programs. The cancellation of CARIP has a significant impact on subsequent year budgets for climate action programming at Metro Vancouver, and staff are working with provincial government staff on a replacement program in hopes of avoiding a funding gap in 2022.

## **CONCLUSION**

Metro Vancouver achieved corporate carbon neutrality in 2020 through reduction of its GHG emissions and by balancing the remainder with carbon credit projects that reduce or avoid GHG emissions. Corporate carbon neutrality is an important indicator of climate action performance and serves as a call to action towards a carbon neutral region by 2050. Metro Vancouver will continue to demonstrate climate leadership by accelerating actions to meet its emissions targets, noting that a sufficiently funded local government climate action program will be critical to achieve both the Provincial and local government climate action targets and plans. Metro Vancouver will continue to track and report corporate energy and emissions annually, as well as carbon credits projects and corporate carbon neutral status. Progress on regional emissions and climate actions will be tracked, and reported through *Climate 2050* annual reporting, intended to begin in 2021.

## **Attachments**

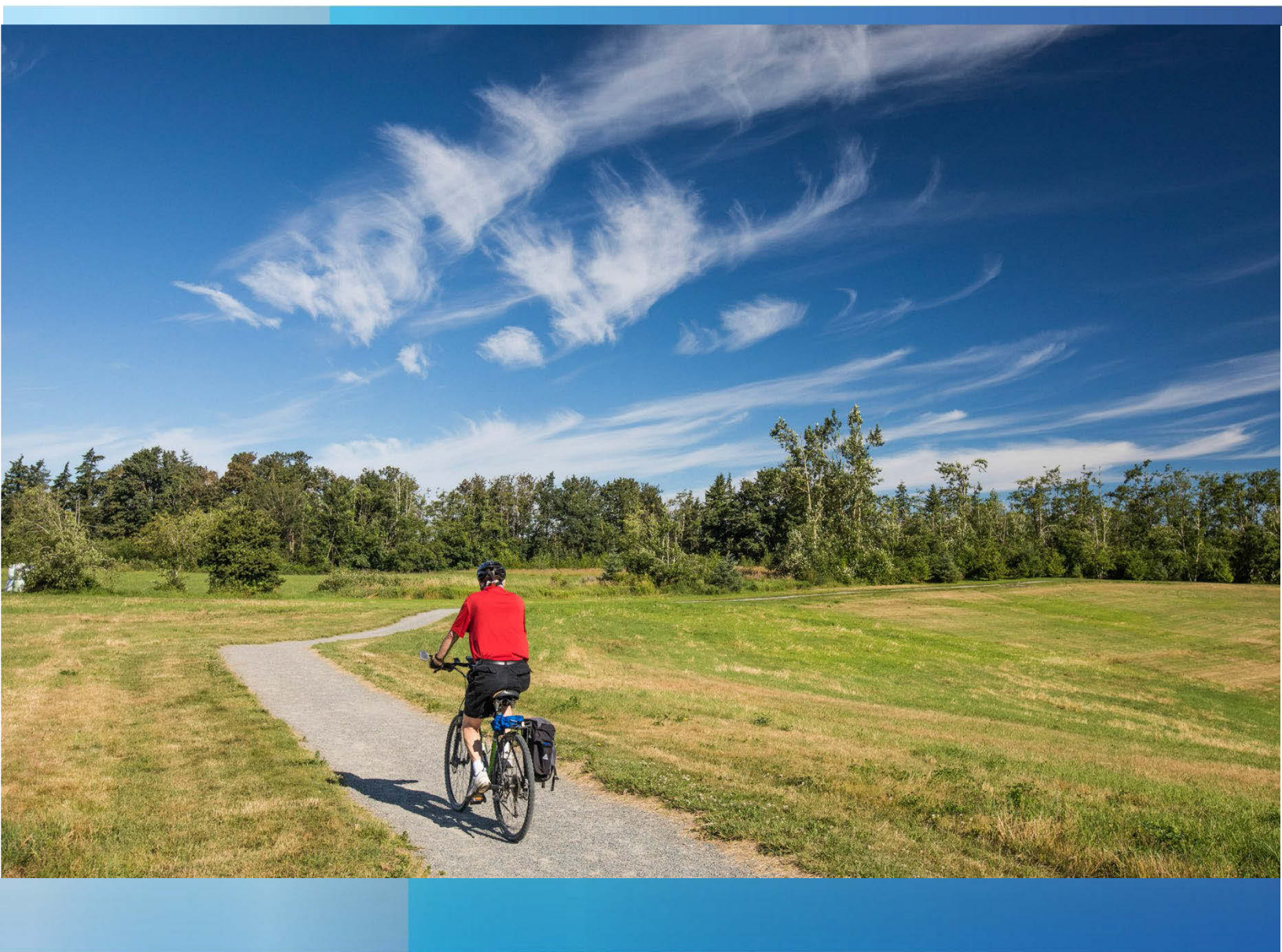
1. "Metro Vancouver Climate Actions 2020: Climate Action Public Report" (45991203)

## **References**

1. [Climate Action Committee Report, "Cancellation of Provincial Climate Action Revenue Incentive Program \(CARIP\)", dated May 27, 2021 \(45693543\)](#)
2. [Climate Action Committee Report, "Managing Metro Vancouver's Corporate Energy and Greenhouse Gas Emissions \(2014 to 2018\)", dated August 14, 2020 \(39720037\)](#)
3. [local carbon registry](#)

46212896





## Metro Vancouver Climate Actions 2020

Climate Action  
Public Report  
June 30, 2021





## General Information

<b>Regional District:</b>	Metro Vancouver (Metro Vancouver Regional District)
<b>Population:</b>	2,749,059 (2020)
<b>Regional Growth Strategy:</b>	"Metro Vancouver 2040 – Shaping our Future" (adopted July 2011)

## Report Preparation and Contact Information

As a signatory to the BC Climate Action Charter, and in accordance with requirements of the Climate Action Revenue Incentive Program (CARIP), Metro Vancouver has completed annual climate action reports since 2011. Although a public report is not a requirement for Provincial reporting in 2020, Metro Vancouver has voluntarily published its annual corporate greenhouse gas emissions and its corporate and regional climate actions for 2020. This public report is available to stakeholders and residents to promote awareness of the range of climate actions Metro Vancouver is undertaking.

Recognizing the magnitude of the climate challenge, the urgency for action, and the evolving science and data, Metro Vancouver has developed *Climate 2050*, Metro Vancouver's regional climate action strategy. *Climate 2050* applies a "climate lens" to Metro Vancouver's policies and initiatives both corporately and throughout the region. The Metro Vancouver Board has adopted the *Climate 2050 Strategic Framework*, the first component of *Climate 2050*. The *Climate 2050 Strategic Framework* sets out the vision and guiding principles for the strategy, and identifies ten issue areas that will each require its own implementation approach. In 2019, the Metro Vancouver Board adopted new greenhouse gas reduction targets as part of a revised *Strategic Framework*, which committed Metro Vancouver to becoming a carbon neutral region by 2050 and an interim target of 45% reduction from 2010 levels by 2030.

Over 2019-2022, Metro Vancouver is developing a series of *Climate 2050 Roadmaps* which will describe the goals, strategies, and actions within each issue area that are necessary to transition the region to a carbon neutral, resilient future while improving the health, well-being, and prosperity of Metro Vancouver residents. Since 2019, eight discussion papers have been developed for *Climate 2050* Issue Areas (i.e., Buildings, Industry, Transportation, Nature & Ecosystems, Waste, Agriculture, Energy, and Water & Wastewater Infrastructure). To date, there are currently two draft *Climate 2050 Roadmaps* published and undergoing engagement for the key issue areas of Transportation and Buildings. The first iterations of both of these *Roadmaps* are intended to be published by the end of 2021. With progress on the *Roadmaps* underway, Metro Vancouver continues to undertake a range of climate actions. In addition, *Climate 2050* is also intended to include an annual report on progress, and will also serve as a key reporting mechanism to track progress towards the *Climate 2050* vision and goals.

In parallel to the implementation of *Climate 2050*, Metro Vancouver is developing its fourth regional air quality and greenhouse gas management plan, the *Clean Air Plan*. The Plan will set Metro Vancouver's direction for air quality and GHG management for the next ten years, and support achieving the interim regional greenhouse gas reduction target for 2030. The draft *Clean Air Plan* was published online in April 2021 and is undergoing engagement, with the final *Clean Air Plan* to be presented to the Metro Vancouver Board for endorsement later in 2021.

This report was prepared by the staff of the Air Quality and Climate Change Division of Metro Vancouver, with input from across the organization. Questions on the report should be directed to [AQInfo@metrovancover.org](mailto:AQInfo@metrovancover.org) or the Metro Vancouver Information Centre at 604-432-6200.

**Reported by:**

Roger Quan  
Director, Air Quality and Climate Change  
Parks and Environment Department

**Contact us:**

Metro Vancouver  
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## 2020 Corporate Climate Action

The section provides an overview of Metro Vancouver's corporate climate actions, following the CARIP qualitative survey format. Actions are summarized in broad categories for each of the areas listed below. Three key actions demonstrating Metro Vancouver's corporate climate action are highlighted in more detail in this section.

In 2020, Metro Vancouver undertook actions in the following areas:

- ☒ Building and Lighting Actions
- ☒ Energy Generation Actions
- ☒ Greenspace Actions
- ☒ Planning Actions
- ☒ Solid Waste Actions
- ☒ Transportation Actions
- ☒ Water and Wastewater Actions
- ☒ Other Climate Actions: Battery operated parks equipment for operations and maintenance.

The following sections outline the actions taken by Metro Vancouver in more detail.

### Building and Lighting

In 2020, Metro Vancouver undertook actions in the following categories:

- ☒ New or upgraded energy-efficient lighting systems
- ☒ New or upgraded energy-efficient heating systems
- ☒ New or upgraded building envelope initiatives
- ☒ Upgrades to amenities in recreation facilities
- ☒ Studies related to building and/or lighting energy efficiency
- ☒ Other: Net Zero Energy Study for Housing Development

### Energy Generation

In 2020, Metro Vancouver undertook actions in the following categories:

- ☐ Solar power projects
- ☒ Heat recovery or heat reclamation projects
- ☒ Biomass or bio-gas projects
- ☐ Geo-exchange or geothermal projects
- ☒ Studies related to energy generation

### Greenspace

In 2020, Metro Vancouver undertook actions in the following categories:

- ☒ Tree planting
- ☒ Greenspace acquisition

- ☒ New or upgraded amenities in parks
- ☒ Invasive species management
- ☒ Plans or strategies related to greenspace

## Planning

In 2020, Metro Vancouver undertook actions in the following categories:

- ☒ Energy/Emissions Management Plan (New or Updated)
- ☒ Asset Management Plan (New or Updated)
- ☐ Corporate Climate Action Plan (New or Updated)
- ☒ Strategic Plan (New or Updated)
- ☒ Other: Planning underway for renewable natural gas fueling infrastructure for fleet, and procurement of EV charging stations.

## Solid Waste

In 2020, Metro Vancouver undertook actions in the following categories:

- ☒ Introduction, expansion or improvement of recycling initiatives at corporate facilities
- ☐ Introduction, expansion or improvement of composting initiatives at corporate facilities
- ☐ Communication or education for staff related to corporate solid waste initiatives
- ☒ Studies or research related to corporate solid waste initiatives
- ☒ Plans or strategies related to corporate solid waste initiatives
- ☒ Other: Calculation of GHG reduction credits associated with organics diversion activities by Metro Vancouver's member municipalities.

## Transportation

In 2020, Metro Vancouver undertook actions in the following categories:

- ☒ Fleet replacement or upgrades
- ☒ New or improved electric vehicle initiatives
- ☐ New or improved active transportation infrastructure for staff
- ☒ Communication or outreach for staff related to corporate transportation initiatives
- ☐ New or improved public transportation initiatives for staff

## Water and Wastewater

In 2019, Metro Vancouver undertook actions in the following categories:

- ☒ New or improved water or wastewater infrastructure
- ☒ Studies or research related to water conservation
- ☒ Plans or strategies related to water or wastewater
- ☒ Water reduction initiative(s)
- ☒ Plans or strategies related to water or wastewater

## Corporate Climate Action Highlights

This section highlights three of Metro Vancouver's key actions that demonstrate leadership and innovative approaches to reduce corporate greenhouse gas emissions.

### Welcher Avenue Redevelopment Net Zero Study

In 2020, Metro Vancouver Housing Corporation (MVHC) submitted a development application to the City of Port Coquitlam for a Welcher Avenue redevelopment project. The proposed five-story building will include 63 homes, with a sustainable and energy-efficient design. The rental housing project has been designed to meet the BC Energy Step Code 4 ('Net Zero ready'), with the development designed to consider both affordability and climate action. To date, a net zero feasibility has been completed for the project and the building will be designed to accept an on-site renewable energy generation system (photovoltaic) that will further reduce net energy consumption.

This design standard will reduce greenhouse gas emissions and energy consumption to help meet MVHC's 10-Year Plan targets as well as Metro Vancouver's regional climate targets in Climate 2050.

### Park Land Acquisitions

In 2020, Metro Vancouver completed the purchase of a parcel totaling 2.3 hectares at the Kanaka Creek Regional Park in the City of Maple Ridge. The new addition to the park is located on the north arm of Kanaka Creek and near the Bell Irving Fish Hatchery. The property includes largely treed creek ravine.

An additional land acquisition was completed in 2020 at the Crippen Regional Park in Bowen Island, which expanded the park by 1.21 hectares (3 acres), following Metro Vancouver's purchase of a prominent waterfront landmark near Snug Cove. The landmark, known as Dorman Point, consists of a rocky bluff landscape that is rare in the regional parks system. It features a small pebble beach and outcrops covered with mosses, ferns and wildflowers, interspersed with wind-shaped Douglas fir, Shore pine and Arbutus trees.

Through the conservation efforts of Park Land Acquisitions, the protected greenspaces help to store carbon and advance climate action goals at Metro Vancouver.

### Carbon Neutral Protective Coating for Sewers

In collaboration with the University of British Columbia (UBC), Ocean Pipe and Metro Testing & Engineering, Metro Vancouver is field testing and validating the performance of a new protective coating material developed at UBC and referred to as Multiphase Composite Coating (MCC) for use in concrete sewer pipes. MCC is an example of circular economy and innovation, since the product is a carbon neutral coating that is formulated using industrial waste.

The MCC formula has the potential to protect both new and existing concrete sewer pipes from corrosion and in turn result in significant reductions in repair and replacement costs for Metro Vancouver sewer networks. The product is currently being piloted in a sewer chamber located in Delta, and is a great example of innovation to push forward our region's climate action goals.

## 2020 Community-Wide Climate Actions

This section provides an overview of Metro Vancouver's community-wide climate actions, following the qualitative CARIP survey format. Actions are summarized in broad categories for each of the areas listed below. Three key actions demonstrating Metro Vancouver's community climate actions are highlighted in more detail in this section.

In 2020, Metro Vancouver undertook actions in the following areas:

- ☒ Building and Lighting Actions
- ☒ Energy Generation Actions
- ☒ Greenspace Actions
- ☒ Planning Actions
- ☒ Solid Waste Actions
- ☒ Transportation Actions
- ☒ Water and Wastewater Actions
- ☒ Other Climate Actions: [Caring for the Air](#) report; Undertook modeling work for a Carbon Neutral Scenario, and development of the *Clean Air Plan* (air quality and greenhouse gas management Plan)

### Building and Lighting

In 2020, Metro Vancouver undertook actions in the following categories:

- ☐ New or upgraded energy-efficient lighting systems
- ☐ New or upgraded energy-efficient heating systems
- ☒ BC Energy Step Code related projects
- ☐ Incentives/rebate programs related to energy-efficient building or lighting
- ☐ Outreach, education or communication related to energy-efficient building or lighting
- ☒ Other: Development of the draft *Climate 2050* Buildings Roadmap.

### Energy Generation

In 2020, Metro Vancouver undertook actions in the following categories:

- ☐ Solar Power Projects
- ☒ Heat recovery or heat reclamation projects
- ☒ Landfill gas capture/utilization projects
- ☐ Micro-hydro projects
- ☒ Studies or research related to energy generation

### Greenspace

In 2020, Metro Vancouver undertook actions in the following categories:

- ☒ Tree planting
- ☒ Greenspace restoration or maintenance
- ☒ Greenspace acquisition

- ☒ Invasive species management
- ☒ Plans or strategies related to greenspace
- ☒ Other: Research and monitoring of species and ecosystems in Metro Vancouver Parks such trials of habitat protection methods, water and soil testing, and Greenhouse gas flux measurements in peatlands undergoing restoration.

## Planning

In 2020, Metro Vancouver undertook actions in the following categories:

- ☐ Official Community Plan (New or Updated)
- ☒ Climate Action Plan (New or Updated)
- ☒ Regional Growth Strategy (New or Updated)
- ☐ New or updated bylaw(s) or zoning addressing climate issues

## Solid Waste

In 2020, Metro Vancouver undertook actions in the following categories:

- ☒ Introduction, expansion or improvement of recycling initiatives
- ☐ Introduction, expansion or improvement of composting initiatives
- ☒ Community clean-up initiatives
- ☒ General waste reduction initiative (including landfill diversion strategies)
- ☒ Outreach, education or communication related to solid waste
- ☒ Other: Solid Waste reports and studies such as calculation of GHG reduction credits associated with organics diversion activities by Metro Vancouver's member municipalities; and Alternative Waste Management Practices for Agricultural Vegetative Debris study.

## Transportation

In 2020, Metro Vancouver undertook actions in the following categories:

- ☐ New or improved active transportation infrastructure
- ☒ New or improved public transportation initiatives (i.e. weekend shuttle bus for Park users)
- ☒ New or improved electric vehicle initiatives
- ☒ Outreach, education or communication related to transportation
- ☒ Plans or strategies related to transportation
- ☒ Other: Completion of an Access Inventory as a part of Alternative Transportation Study to identify the availability of cycling and transit infrastructure for visiting Regional Parks without a personal car.

## Water and Wastewater

In 2020, Metro Vancouver undertook actions in the following categories:

- ☒ Water restrictions
- ☐ Incentives/rebate programs related to water or wastewater
- ☒ Outreach, education or communication related to water or wastewater
- ☒ Studies or research related to water or wastewater



- ☑ Plans or strategies related to water or wastewater

## Community-Wide Climate Action Highlights

This section highlights three of Metro Vancouver's key actions that demonstrate leadership and innovative approaches to reduce community-wide greenhouse gas emissions.

### Alternative Fuel and Recyclables Recovery Project

In 2020, Metro Vancouver initiated a feasibility study and business case for an Alternative Fuel and Recyclables Recovery Project. Metro Vancouver is looking to reduce regional greenhouse gas emissions by recovering material currently destined for disposal to create an alternative fuel product. The target material is small load waste, which is typically self-hauled by residents and primarily contains wood and other building materials. Small load waste is very similar in composition to construction and demolition waste, which is currently processed at licensed private facilities to extract recyclables and create an alternative fuel product from the remainder.

Following the opening of two new recycling and waste centres in early 2022, Metro Vancouver plans to redirect approximately 60,000 tonnes per year of this material from our facilities to existing private sector construction and demolition facilities for processing. Assuming 25,000 tonnes of alternative fuel could be recovered from the small load waste and used in place of fossil fuels such as coal and natural gas, this project could result in up to 20,000 tonnes CO<sub>2</sub> equivalent per year reduction in regional greenhouse gas emissions.

### Regional Greenways 2050 Plan

The [Regional Greenways 2050 plan](#) describes the region's shared vision for a network of recreational multi-use paths for cycling and walking that connects residents to large parks, protected natural areas and communities to support regional livability. The plan was developed in consultation with local jurisdictions, agencies, First Nations and key stakeholders, and focuses on regional-scale recreational greenways. This network is complementary to TransLink's Major Bikeway Network. Together the two networks contribute to active transportation infrastructure in the region.

The plan identifies current challenges and benefits, provides an updated vision for a gap-free system of regional greenways and an implementation framework that focuses on actions that can be undertaken in the next five years that will enable measurable progress toward this long term vision.

Implementation of Regional Greenways 2050 supports the goals of the region's *Clean Air Plan* and *Climate 2050* strategy, by providing access to safe and comfortable routes for active transportation to promote a reduction in the number of trips taken by driving and the associated greenhouse gas emissions.

### Regional Growth Strategy: Applying a Climate Lens for the Metro 2050 Policy Review

Metro Vancouver is updating Metro Vancouver 2040: Shaping our Future (*Metro 2040*), the regional growth strategy. Though many of the goals, actions, and tools that are working well in *Metro 2040* will remain unchanged, updates will extend the strategy to the year 2050 and allow the region to better respond to critical and emerging issues such as climate change, social equity, resilience, and housing affordability. Updates will also align the strategy with *Transport 2050* (TransLink's new regional

transportation strategy) and implement policy improvements in a number of areas. The updated strategy, anticipated to be completed in 2022, will be called *Metro 2050*.

Content for *Metro 2050* is informed by a series of Policy Reviews scoped to address specific policy themes, including Climate Change and Natural Hazards. Each Policy Review involved looking at the current policies in *Metro 2040* related to a policy theme, identifying gaps and opportunities, considering best practices, engaging with stakeholders and others, and developing policy recommendations to be integrated into *Metro 2050*.

The purpose of the Climate Change and Natural Hazards Policy Review was to identify ways to strengthen the regional growth strategy's climate change and natural hazard policies. The recommendations that emerged from the Policy Review focused on:

- applying a climate lens to all goal areas of *Metro 2050*, with an emphasis on integrating the content with *Climate 2050* – the regional climate action strategy;
- ensuring member jurisdictions specify how they will meet the region's GHG emissions reduction targets;
- identifying and mapping regional-scale natural hazards, risks and vulnerabilities; and
- encouraging regional growth patterns that incorporate emergency management, utility planning, and climate change adaptation considerations.

## Climate Preparedness and Adaptation Action

This section describes the climate impacts Metro Vancouver is experiencing, and how they are being addressed.

Metro Vancouver has identified the following potential climate impacts:

- ☒ Increased temperatures increasing wildfire activity
- ☒ Extreme weather events contributing to urban and overland flooding
- ☒ Changes to temperature and precipitation causing seasonal drought
- ☒ Warmer winter temperatures reducing snowpack
- ☒ Sea level rise and storms causing coastal flooding and/or erosion
- ☒ Other: Invasive species

In 2020, Metro Vancouver undertook actions in the following categories in an effort to consider or address the impacts of climate change:

- ☒ Emergency response planning
- ☒ Asset management
- ☒ Infrastructure upgrades
- ☒ Public education and awareness
- ☒ Strategic and financial planning
- ☒ Risk and vulnerability assessments

- ☒ Risk reduction strategies
- ☐ Official Community Plan policy changes
- ☒ Other: Metro 2050 Regional Growth Strategy: Climate Change and Natural Hazards Review

In 2020, Metro Vancouver partnered with the following organizations to prepare for and adapt to climate change:

- ☒ Adaptation to Climate Change Team (SFU)
- ☐ Columbia Basin Trust
- ☐ Community Emergency Preparedness Fund (UBCM)
- ☒ Federation of Canadian Municipalities
- ☒ Fraser Basin Council
- ☒ Pacific Institute for Climate Solutions (UVIC)
- ☒ Other: Integrated Partnership for Regional Emergency Management, Translink, West Coast Environmental Law, BC Housing & Pembina Institute

## Adaptation Action Highlights

This section highlights three of Metro Vancouver's key actions that demonstrate leadership and innovative approaches to adapting to a changing climate.

### Planning for our Future Water Supply in Metro Vancouver

The long-term water supply planning study, [Water Supply Outlook 2120](#), presents key findings and actions in the Metro Vancouver region to ensure the continued delivery of clean, safe drinking water to the region over the next 100 years. The study assesses the water system's resiliency to various challenges, such as population growth and impacts of climate change, and confirms that the region is on the right track by planning for the Coquitlam Lake Water Supply Project to be in place by the late 2030s.

### We Love Water Campaign

The We Love Water campaign continues to encourage residents to 'use a little less, care a little more' through a range of advertising and updated creative materials that explored connections between the regional water system and residents' own water use. All promotions continued to lead to [welovewater.ca](#). Metro Vancouver shares all campaign materials and coordinates outreach with members. This outreach campaign is an initiative that contributes to reducing the overall demand for drinking water in the region, and is an initiative that address the climate impacts related to the region's water supply.

### Liquid Waste Services- Environmental Risk Analysis and Prioritization

In 2020 Metro Vancouver conducted an Environmental Risk Analysis and Prioritization of environmental risks associated with the operation of the liquid waste utility, including those with climate impacts. A review of the Liquid Waste Services activities identified fifty environmental risks which were evaluated systematically for environmental significance considering environmental impact, regulatory compliance, and public concern. The environmental impact was based on a calculated score of potency, time period, geographic scale, and frequency. Potential impacts from environmental risks range from contamination of water, soil and air, to far-reaching cumulative effects such as climate change, loss of biodiversity and

bio-accumulation of toxins in the environment with potential impacts to public health and terrestrial and aquatic life.

The analysis and prioritization methodology determined that rigorous management systems are in place for the majority of wastewater related risks, however a number of risk areas were identified for strengthened risk mitigation including those with climate impacts such as wastewater process GHGs, vehicle emissions, and refrigerant management. These were among the risks prioritized for ongoing consideration, setting objectives, defining strategy to inform capital planning and/or developing enhanced operational environmental programs.

## 2020 Carbon Neutral Reporting

### 2020 Carbon Emissions

Did you measure your local government's corporate GHG emissions in 2020?	Yes
Corporate GHG emissions (in tonnes of carbon dioxide equivalent) from services delivered <u>directly</u> by your local government:	5,366
Corporate GHG emissions (in tonnes of carbon dioxide equivalent) from <u>contracted</u> services:	10,071
<b>TOTAL A: CORPORATE GHG EMISSIONS FOR 2020</b>	<b>15,437 tCO<sub>2</sub>e</b>

### 2020 Carbon Reductions

To be carbon neutral, a local government must balance their TOTAL corporate GHG emissions generated in 2020 by one or a combination of the following actions:

- Undertake Green Communities Committee-supported Option 1 Project(s)
- Undertake Green Communities Committee-supported Option 2 Project(s)
- Purchase carbon offsets from a credible offset provider

*For more information about options to balance or offset corporate GHG emissions please refer to [Becoming Carbon Neutral: A Guidebook for Local Governments in British Columbia](#).*

**If applicable, please report the 2020 GHG emissions reductions (in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e)) being claimed from Option 1 GHG Reduction Projects:**

OPTION 1 PROJECTS	REDUCTIONS
<b>1E Avoided Forest Conversion</b>	
Thompson Mountain	404
Minnekhada Quarry Road (Minnekhada Regional Park)	72
Grant Hill (Kanaka Creek Regional Park)	203

Lane Property (Kanaka Creek Regional Park)	64
<b>TOTAL B: REDUCTIONS FROM OPTION 1 PROJECTS FOR 2020</b>	<b>743 tCO<sub>2</sub>e</b>

If applicable, please report the names and 2020 GHG emissions reductions (in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e)) being claimed from Option 2 GHG Reduction Projects:

OPTION 2 PROJECT NAME	REDUCTIONS
Ecosystem Restoration of the Burns Bog Ecological Conservancy Area	27,341
<b>TOTAL C: REDUCTIONS FROM OPTION 2 PROJECTS FOR 2020</b>	<b>27,341 tCO<sub>2</sub>e</b>

## 2020 Carbon Offsets

If applicable, please report the number of offsets purchased (in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e)) from an offset provider for the 2019 reporting year:

OFFSET PROVIDER	REDUCTIONS
Not applicable	N/A
<b>TOTAL D: OFFSETS PURCHASED FOR 2019</b>	<b>0 tCO<sub>2</sub>e</b>

**TOTAL REDUCTION AND OFFSETS FOR 2019 (Total B+C+D) = 28,084 tCO<sub>2</sub>e**

## Corporate GHG Emissions Balance for 2020

Your local government's Corporate GHG Emissions Balance is the difference between total corporate GHG emissions (direct + contracted emissions) and the GHG emissions reduced through GCC Option 1 and Option 2 projects and/or the purchase of offsets.

**CORPORATE GHG EMISSIONS BALANCE FOR 2020 = (A – (B+C+D)) = -12,647 tCO<sub>2</sub>e**

If your local government was carbon neutral in 2020, please record any emissions reductions you will be carrying over for future years and the source of the reductions, including the year they were earned (e.g. organics diversion, 2020 100 tCO<sub>2</sub>e):

	Source of Carryover Emission Reduction	Year Earned	GHG Emissions Reductions
1.	Ecosystem Restoration of the Burns Bog Ecological Conservancy Area	2012-2016	12,647
<b>TOTAL E - BALANCE OF REDUCTIONS ELIGIBLE FOR CARRY OVER TO NEXT YEAR</b>			<b>12,647 tCO<sub>2</sub>e</b>

## APPENDIX 1: Contracted Emissions Report for Metro Vancouver

### Reporting Metro Vancouver's Contracted Emissions

Metro Vancouver's corporate GHG emissions from contracted services are primarily related to hauling of solid waste, biosolids, and residual material from corporate facilities to final disposal or use sites, such as landfills, beneficial use sites, or biofuel facilities.

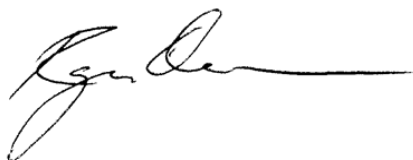
Metro Vancouver reports its contracted emissions in accordance with reporting guidance provided by the joint Provincial-UBCM Green Communities Committee's Workbooks and Guidebook. The *"Guidance on Including Contracted Emissions in Local Government Corporate Inventories"* describes what contracts should be included in corporate inventories, what emissions data needs to be collected, and the steps that a local government can undertake to achieve this. It directs local governments to report emissions from new contracts and upon renewal of existing contracts.

Metro Vancouver's waste management approach is to reduce the generation of waste, and to pursue opportunities for resource recovery and the beneficial reuse of waste. Programs supported or implemented by Metro Vancouver and its partners to reduce, reuse, and recycle waste (including organics diversion from households and businesses) marks a shift from thinking about the waste as an end product toward seeing waste as a potential resource. Metro Vancouver will continue to pursue approaches and technologies to reduce GHG emissions and promote opportunities for the replacement of fossil fuels.

## Contracted Emissions Reporting Form for Metro Vancouver

Reporting Year: 2020

Local Government Information			
Name of Local Government	Metro Vancouver		
Designate Appointed to Sign Off on Estimation Template	Name: Roger Quan Title: Director, Air Quality and Climate Change Phone: 604-436-6770 Email: roger.quan@metrovancover.org		
Estimation Methodology Information			
Rationale for Applying an Estimation Methodology	For contracts in the 2020 reporting year, fuel use was reported directly from contractors ("Estimation Option 1"). Contract name = activity.		
Contracted Emissions			
Drinking, Storm and Wastewater	CONTRACT NAME	ESTIMATION OPTION USED	ESTIMATED ANNUAL GHGS (t CO2e)
	Biosolids/Residuals Hauling	1	3,386
	SUBTOTAL ANNUAL CONTRACTED EMISSIONS FOR TRADITIONAL		3,386
Solid Waste Collection, Transportation and Diversion	CONTRACT NAME	ESTIMATION OPTION USED	ESTIMATED ANNUAL GHGS (t CO2e)
	Solid Waste Hauling	1	4,593
	SUBTOTAL ANNUAL CONTRACTED EMISSIONS FOR TRADITIONAL SERVICE		4,593
Misc	CONTRACT NAME	ESTIMATION OPTION USED	ESTIMATED ANNUAL GHGS (t CO2e)
	Other Off-Road Equipment	1	1,370.5
	Other Mobile Sources	1	722
	SUBTOTAL ANNUAL CONTRACTED EMISSIONS FOR TRADITIONAL		2092.5
<b>TOTAL ESTIMATED CONTRACTED EMISSIONS FOR 2020 (tonnes CO2e)</b>			<b>10,071</b>

Estimated Contracted Emissions: Authorization and Sign Off
<p>The information provided in this Contracted Emissions Reporting Form for the 2020 reporting year is to the best of my knowledge correct and complete.</p> <p>Designate Signature:</p>  <p>Roger Quan, Director, Air Quality and Climate Change Date: June 30, 2021</p>





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To: Climate Action Committee

From: Megan Gerryts, Senior Advisor, Regional Economic Prosperity Service  
Roger Quan, Director, Air Quality and Climate Change, Parks and Environment

Date: June 25, 2021 Meeting Date: July 16, 2021

Subject: **Proposed Updates to the Sustainability Innovation Fund Policies**

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**RECOMMENDATION**

That the MVRD Board approve the proposed updates to the Regional District Sustainability Innovation Fund as presented in the report dated June 25, 2021, titled "Proposed Updates to the Sustainability Innovation Fund Policies".

That the GVS&DD Board approve the proposed updates to the Liquid Waste Sustainability Innovation Fund as presented in the report dated June 25, 2021, titled "Proposed Updates to the Sustainability Innovation Fund Policies".

That the GVWD Board approve the proposed updates to the Water Sustainability Innovation Fund as presented in the report dated June 25, 2021, titled "Proposed Updates to the Sustainability Innovation Fund Policies".

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**EXECUTIVE SUMMARY**

The Sustainability Innovation Fund (SIF) program allows the Metro Vancouver organization to address critical climate challenges, meet strategic objectives and pilot innovative ideas. SIF projects touch on areas such as the circular economy, resource recovery, emissions reduction and environmental protection.

Following direction from the Climate Action Committee, staff are bringing forward proposed updates to the Sustainability Innovation Fund policies to strengthen and amplify the positive outcomes of the program. To address the stagnant annual contribution to the fund, Financial Services will develop and annually update a contribution schedule to ensure the fund is able to support future projects.

Starting in 2024, staff are proposing that Financial Services gradually phase in an increase in the contribution amount to each of the Sustainability Innovation Fund reserves. Annual contributions will not exceed 1% of the respective legal entity's operating budget and a maximum amount in the fund will be set at \$25 million, indexed to inflation.

**PURPOSE**

To seek Board approval for the proposed updates to the three Sustainability Innovation Fund (SIF) policies.

## **BACKGROUND**

At its meeting held February 12, 2021, the Climate Action Committee directed to staff to review the Sustainability Innovation Fund policies. Key issues discussed included how current annual contributions to each of the three funds are based on the GST rebate amount from 2005, and the \$100,000 limitation on annual funding for projects under the Regional District SIF. Staff have conducted a review of the Sustainability Innovation Fund program and are recommending policy changes to address the stagnant annual contribution and funding cap for Regional District projects, as well as additional changes focused on enabling projects that can improve sustainability through innovation or continuous improvement, create positive economic benefits for the region, and further sustainability goals in response to the climate emergency. To ensure the fund can support innovative projects going forward, staff are recommending linking the annual funding amount to the annual operating budget and phasing in an increase over time starting in 2024.

## **VALUE OF INNOVATION**

In order to be able to address the climate emergency and meet our corporate objectives, innovation is required. For a large organization such as Metro Vancouver, there is a need to invest in innovation and this will involve: research and development, the adoption of new products, improved processes and production practices, technologies and business strategies.

The SIF program is unique as it allows staff to bring forward their innovative ideas and partner with those outside the organization to put ideas into action. Successful partnerships may lead to significant benefits for the organization, and region, in terms of efficiency gains in utility processes, delaying or reducing the need for costly infrastructure upgrades or providing significant environmental benefits. These will help to keep services affordable for the region and improve the resilience of Metro Vancouver systems.

As an example, the Hydrothermal Processing Biofuel Demonstration project will evaluate the conversion of wastewater biomass to low carbon transportation fuels. If this SIF project is successful, it can lead to full-scale implementation of the technology at the Iona Island Wastewater Treatment Plant for an estimated net present value savings of more than \$60 million compared to the business as usual scenario. Further, a full-scale facility at Iona Island can reduce GHG emissions by 16,000 tonnes CO<sub>2</sub>e/yr, which has attracted the attention of the advanced biofuel industry and petroleum producers seeking to decarbonize liquid transportation fuels. Expressed interest from organizations such as International Energy Agency – Bioenergy, the U.S. Department of Energy, the Commercial Aviation Alternatives Fuels Initiative, and the Water Research Foundation provided incentive for private-sector and provincial investments of \$5 million towards the Hydrothermal Processing Biofuel Demonstration project.

The SIF program is able to bridge the gap between research and commercialization, which is often the hardest type of funding to secure. Being able to invest in technological innovation in the region also yields great economic-development returns, driving entrepreneurship, an export-oriented economy and greater prosperity for the region. Additionally, these funds can often be leveraged as they allow researchers to acquire matching funding from other sources.

With this policy update there is an opportunity to increase partnerships centered on technological innovation that will create these economic benefits and meet corporate objectives. These types of projects may generate returns on SIF project investments through Intellectual Property royalties. A review of comparable governmental organizations that focus on innovation revealed that these organizations typically spend 0.5%-2% of their budget on innovation.

### **PROPOSED POLICY AMENDMENTS**

The three amended SIF Policies attached to this report (Attachments 1-3) show proposed amendments that have been made in response to Committee direction and identified program issues. Attachments 4-6 show the red line versions of the policies. The amendments are designed to enable a wider variety of projects that will reduce emissions, protect the environment or advance regional resilience. The amended policy language explicitly encourages partnerships that will lead to innovative solutions to Metro Vancouver's challenges.

<b>Policy Changes</b>	<b>Existing</b>	<b>Proposed</b>
Funding amounts	Annual contributions: LW: \$1,127,000 RD: \$347,000 WS: \$723,000	Financial Services will develop and annually update a contribution schedule to ensure the fund is able to support future projects. Annually, an amount no greater than 1% of the legal entity's annual operating budget will be transferred to the fund. The fund balance will be set at a maximum amount of \$25 million indexed to inflation.
Project funding limits	Regional District limited to \$100k per year per project.	Remove Regional District funding limit.
Eligible proposals must include sustainability principles	Definition of sustainability from the defunct Sustainability Framework.	Sustainability refers to reducing emissions, protecting the environment and/or advancing regional resilience.
Eligible proposals must forward innovation or provide continuous improvement	Innovation not defined. Beyond 'business as usual' requirement creates challenges with respect to interpretation.	Proposals may cover the spectrum of projects involving true innovation to continuous improvement.
Partnerships	Projects must consider partnerships. Support given to projects that involve members.	Additional emphasis on partnerships, particularly ones that will lead to innovative solutions to Metro Vancouver's challenges, such as through applied and/or translational research within the region's academic institutions. Solutions may be generated through a crowd-sourcing ideation process.
Accountability	Reporting on project outcomes to Committee and in e-Library	Improved project reporting through project close out template (including KPI reporting)

## Accountability

Staff are also intending to improve the accountability of SIF-funded projects by implementing measures to improve reporting on project outcomes, such as Key Performance Indicator (KPI) reporting. KPIs are currently identified by project proponents as part of the SIF application process, and new procedures will be put in place to facilitate consistent reporting during projects and at project completion. Closer attention will also be paid in the evaluation of potential projects with respect to qualitative and quantitative data on each of the projects.

## Annual Contribution

The current policy language sets the annual contribution amount for each of the three funds based on the GST rebate amount set in 2005. This annual funding amount is problematic as it is a stagnant amount that does not take into account the value of money over time. In response to this issue, staff are proposing that the annual contribution to the fund be determined by Financial Services, up to a maximum of 1% of the legal entity's operating budget. This increase in funding will be phased in gradually over time with increases starting in 2024.

The broadening of definitions in the policy, as well as removal of the funding cap, will likely create pressure on the remaining balances. In response to this, staff are proposing an increased contribution. Without an increased contribution, the enhancements to the policy language may drive the fund to depletion. Conversely, in order to protect against any of the three fund balances getting too large, the proposed policy mandates that the maximum amount in the fund cannot exceed \$25 million, indexed to inflation. This amount was determined as being sufficient to support innovative projects going forward.

**Table 1:** Schedule of fund contributions based on current 5-Year Financial Plan (*subject to budgetary processes and review*)

	2022	2023	2024	2025	2026
WS Annual Contribution	\$723,000	\$723,000	\$ 1,861,500	\$ 2,484,600	\$3,500,000
% of operating budget	0.22%	0.21%	0.5%	0.6%	0.7%
LW Annual Contribution	\$1,127,000	\$1,127,000	\$2,351,500	\$3,259,200	\$5,250,000
% of operating budget	0.3%	0.27%	0.5%	0.6%	0.7%
RD Annual Contribution	\$347,000	\$347,000	\$554,500	\$684,000	\$840,000
% of operating budget	0.4%	0.4%	0.5%	0.6%	0.7%

Staff believe that coupling the funding amount to the operating budget is expected to create a stable proxy to base annual contributions on. Allowing Financial Services to set the annual contribution schedule, up to the maximum amount of 1% of the operating budget, phased in over time, gives the organization the flexibility to ensure the fund is able to support innovative projects going forward while safeguarding against the fund getting too large. Fund contributions will be subject to budgetary processes and review.

The proposed maximum of 1% of the operating budget is consistent with similar utility organizations that invest in innovation. In the scan of similar governmental organizations, innovation investments ranged from 0.5%-2% of the overall budget amount. These investments can add corporate value in

the form of economic, environmental and social benefits. Additionally, intangible benefits include valuable partnerships with other organizations, corporate integrity and public trust.

## **ALTERNATIVES**

1. That the MVRD Board approve the proposed updates to the Regional District Sustainability Innovation Fund as presented in the report dated June 25, 2021, titled "Proposed Updates to the Sustainability Innovation Fund Policies".

That the GVS&DD Board approve the proposed updates to the Liquid Waste Sustainability Innovation Fund as presented in the report dated June 25, 2021, titled "Proposed Updates to the Sustainability Innovation Fund Policies".

That the GVWD Board approve the proposed updates to the Water Sustainability Innovation Fund as presented in the report dated June 25, 2021, titled "Proposed Updates to the Sustainability Innovation Fund Policies".

2. That the Climate Action Committee receive for information the report dated June 25, 2021, titled "Proposed Updates to the Sustainability Innovation Fund Policies" and provide alternate direction to staff.

## **FINANCIAL IMPLICATIONS**

If the Board approves Alternative 1, Financial Services will gradually phase in an increase in the contribution amount to each of the SIF reserves starting in 2024. Table 1 shows the planned schedule for contribution increases. Annual contributions will not exceed 1% of the legal entity's operating budget and a maximum amount in the fund is set at \$25 million, indexed to inflation.

## **CONCLUSION**

Following direction from the Climate Action Committee, staff are bringing forward proposed updates to the Sustainability Innovation Fund policies to strengthen and amplify the positive outcomes of the program. To address the stagnant annual contribution to the fund, Financial Services will develop and annually update a contribution schedule to ensure the fund is able to support future projects. Starting in 2024, staff are proposing that Financial Services gradually phase in an increase in the contribution amount to each of the Sustainability Innovation Fund reserves. Annual contributions will not exceed 1% of the respective legal entity's operating budget and a maximum amount in the fund will be set at \$25 million, indexed to inflation.

## **Attachments**

1. ~~Liquid Waste Sustainability Innovation Fund Policy~~
2. Regional District Sustainability Innovation Fund Policy
3. ~~Water Services Sustainability Innovation Fund Policy~~
4. ~~Liquid Waste Sustainability Innovation Fund Policy Red Line Version~~
5. Regional District Sustainability Innovation Fund Policy Red Line Version
6. ~~Water Services Sustainability Innovation Fund Policy Red Line Version~~

**REGIONAL DISTRICT SUSTAINABILITY INNOVATION FUND**

Effective Date: October 24, 2014 (revised month day, year)

Approved By: GVRD Board

**Policy No. FN-007****PURPOSE**

The Policy is designed to ensure that the Regional District Sustainability Innovation Fund (Fund) is used to support projects that will contribute to the region's sustainability and that the Fund is managed in an effective, transparent and accountable manner.

**POLICY**

The Regional District Sustainability Innovation Fund has been in place since October 29, 2004, when the GVRD Board approved the creation of a Fund that would be "dedicated to funding Regional District projects that are based on the principles of sustainability". Projects must contribute to the region's sustainability by reducing emissions, protecting the environment and/or advancing regional resilience.

The fund is designed to support projects that demonstrate an innovative approach that is considered less proven or beyond the level of risk tolerated through the budget process. Projects may also adopt a continuous improvement approach that would not be feasible through the regular budget process due to funding or risk tolerance constraints.

Projects are encouraged to consider partnerships that will lead to innovative solutions to Metro Vancouver's challenges, particularly through applied and/or translational research within the region's academic institutions. These solutions may be generated through a crowd-sourcing ideation process.

Projects supported by the Fund must:

- be overseen by the MVRD;
- be consistent with the authority and responsibility of the MVRD;
- be consistent with the objectives of the *Board Strategic Plan* or other regional district plans as applicable;
- consider partnerships including, but not limited to, member jurisdictions, academic institutions, non-governmental organizations, and community groups;
- result in a positive contribution, in the form of tangible results and/or measurable benefits, to the sustainability of the region;
- demonstrate innovation or a continuous improvement approach.

Support will be given in the evaluation process to regional district projects that involve one or more member jurisdictions, particularly if such involvement can be used to leverage additional funding

from a municipality or another source. In order to promote equity in the involvement of members, efforts will be made to involve a variety of different members in different projects.

### **Fund Management**

- Financial Services will develop and annually update a contribution schedule to ensure the fund is able to support future projects.
- Annually, an amount no greater than 1% of MVRD's annual operating budget will be transferred to the fund.
- The fund will be set at a maximum amount of \$25 million indexed to inflation.
- Any revenues generated from projects derived from SIF investments will be taken into consideration with respect to annual contribution amounts.
- The total amount disbursed from the Fund in any given year is at the discretion of the MVRD Board and will depend on the merit of the proposals submitted.
- Reporting on the balance of the Regional District Sustainability Innovation Fund will be carried out through the Status of Reserves report.

### **Annual Evaluation and Decision-Making Process**

- Project proposals will be evaluated by the Sustainability Innovation Fund Inter-Departmental Steering Committee according to the criteria outlined in the Application Package.
- Staff will provide the designated Standing Committee with a report on recommendations on the proposals considered for funding and implications of these recommendations on the Fund's balance.
- The designated Standing Committee will provide its recommendations to the MVRD Board which will make the final decision on received applications.

### **Reporting on the Fund's Contributions to Regional Sustainability**

- On an annual basis, the designated Standing Committee will receive a report on the projects supported by the Fund including deliverables, outcomes, and the measurable benefits of these projects to the region's sustainability.
- Project reports will be housed in an "e-Library" for easy access by member jurisdictions, regions and other who are interested in learning from the experiences, and who wish to assess the transferability of certain projects to other jurisdictions.

**REGIONAL DISTRICT SUSTAINABILITY INNOVATION FUND**

Effective Date: October 24, 2014 (revised October 28, 2016)

Approved By: GVRD Board

**Policy No. FN-007****PURPOSE**

The Policy is designed to ensure that the Regional District Sustainability Innovation Fund (Fund) is used to support projects that will contribute to the region's sustainability and that the Fund is managed in an effective, transparent and accountable manner.

**DEFINITIONS****Sustainability**

~~Adapting the concept of sustainability as defined in Metro Vancouver's Sustainability Framework for the purposes of this Fund, a sustainability project would need to:~~

- ~~• Have regard for both local and global consequences and long term impacts~~
- ~~• Recognize and reflect the interconnectedness and interdependence of systems~~
- ~~• Be collaborative~~

~~In addition, sustainability projects will make a contribution to:~~

- ~~• Protecting and enhancing the natural environment~~
- ~~• Providing for ongoing prosperity~~
- ~~• Building community capacity and social cohesion~~

**POLICY**

The Regional District Sustainability Innovation Fund has been in place since October 29, 2004, when the GVRD Board approved the creation of a Fund that would be "dedicated to funding Regional District projects that are based on the principles of sustainability". **Projects must contribute to the region's sustainability by reducing emissions, protecting the environment and/or advancing regional resilience.**

**The fund is designed to support projects that demonstrate an innovative approach that is considered less proven or beyond the level of risk tolerated through the budget process. Projects may also adopt a continuous improvement approach that would not be feasible through the regular budget process due to funding or risk tolerance constraints.**

**Projects are encouraged to consider partnerships that will lead to innovative solutions to Metro Vancouver's challenges, particularly through applied and/or translational research within the region's academic institutions. These solutions may be generated through a crowd-sourcing ideation process.**



## BOARD POLICY

~~Annually, an amount equal to the GST rebate for the GVRD in 2005 (\$347,000) is contributed to the Fund.~~

~~The Fund is not designed to support “business as usual” projects that a department would undertake as part of its normal operations, nor is it in place to support projects that would normally be funded through a department’s capital plan. The Fund can be used, however, to include features to a project that improve or supplement the sustainability elements of a project.~~

Projects supported by the Fund must:

- be overseen by the MVRD;
- be consistent with the authority and responsibility of the MVRD, ~~which includes air quality management, regional parks, housing, growth management, and inter-municipal initiatives such as ecological health and climate change mitigation and adaptation;~~
- be consistent with the objectives of the *Board Strategic Plan* or other regional district plans as applicable;
- consider partnerships including, but not limited to, member jurisdictions, academic institutions, non-governmental organizations, and community groups;
- result in a positive contribution, in the form of tangible results and/or measurable benefits, to the sustainability of the region;
- demonstrate innovation **or a continuous improvement approach** ~~and facilitate action.~~

Support will be given in the evaluation process to regional district projects that involve one or more member jurisdictions, particularly if such involvement can be used to leverage additional funding from a municipality or another source. In order to promote equity in the involvement of members, efforts will be made to involve a variety of different members in different projects.

### Fund Management

- **Financial Services will develop and annually update a contribution schedule to ensure the fund is able to support future projects.**
- **Annually, an amount no greater than 1% of MVRD’s annual operating budget will be transferred to the fund.**
- **The fund will be set at a maximum amount of \$25 million indexed to inflation.**
- **Any revenues generated from projects derived from SIF investments will be taken into consideration with respect to annual contribution amounts.**
- ~~Annually, an amount equal to the GST rebate for the GVRD in 2005 (\$347,000) will be transferred to the Fund.~~
- ~~The maximum amount awarded to any one project in an individual year will be \$100,000.~~
- The total amount disbursed from the Fund in any given year is at the discretion of the MVRD Board and will depend on the merit of the proposals submitted.
- Reporting on the balance of the Regional District Sustainability Innovation Fund will be carried out through the Status of Reserves report.

## Annual Evaluation and Decision-Making Process

- ~~• In accordance with the Sustainability Innovation Fund Process, departments will identify potential projects relevant to the objectives of the Fund during the internal budget planning process.~~
- ~~• Projects proposed may come from staff led planning processes or from Committees directly related to regional district functions who can direct staff to evaluate a project or initiative and to prepare a proposal for consideration.~~
- ~~• To be considered, project proponents will need to complete the Sustainability Innovation Fund Application, which includes a description of the alignment with the goals of a regional management plan (if relevant) and the *Board Strategic Plan* and a triple bottom line analysis. Proposals should specify the anticipated measurable contributions to the region's sustainability (e.g., reductions in greenhouse gas emissions, conversion to renewable energy sources, cleaner air or water, or improvements in ecosystem health) in addition to other benefits.~~
- **Project proposals** will be evaluated by the Sustainability Innovation Fund Inter-Departmental Steering Committee according to the criteria outlined in the Application Package.
- Staff will provide the designated Standing Committee with a report on recommendations on the proposals considered for funding and implications of these recommendations on the Fund's balance.
- The designated Standing Committee will provide its recommendations to the **MVRD** Board which will make the final decision on received applications.

## Reporting on the Fund's Contributions to Regional Sustainability

- On an annual basis, the designated Standing Committee will receive a report on the projects supported by the Fund including deliverables, outcomes, and the measurable benefits of these projects to the region's sustainability.
- Project reports will be housed in an "e-Library" for easy access by **member jurisdictions**, regions and others who are interested in learning from the experiences, and who wish to assess the transferability of certain projects to other jurisdictions.

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**To:** Climate Action Committee

**From:** Arvind Saraswat, Senior Project Engineer  
Esther Bérubé, Division Manager, Air Quality Bylaw and Regulation Development  
Laura Taylor, Public Engagement Coordinator  
Parks and Environment Department

**Date:** June 22, 2021 **Meeting Date:** July 16, 2021

**Subject:** **Next Phase of Engagement on a Cannabis Production and Processing Emission Regulation**

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### **RECOMMENDATION**

That the MVRD Board authorize staff to proceed with the next phase of engagement on the proposed approach to regulating air emissions from cannabis production and processing using the draft discussion paper attached to the report titled “Next Phase of Engagement on a Cannabis Production and Processing Emission Regulation”, dated June 22, 2021.

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### **EXECUTIVE SUMMARY**

During 2019, Metro Vancouver staff initiated consultation with stakeholders on regulatory proposals to manage emissions of volatile organic compounds (VOC) from cannabis production and processing facilities. This was followed by additional engagement with key stakeholders, from November 2020 through March 2021, to facilitate development of a common understanding of key issues and potential solutions. Cannabis production and processing is potentially a significant additional source of VOC emissions in the airshed, which warrant similar levels of control to other regulated sources, to ensure that ground level ozone issues are not exacerbated. Based on stakeholder feedback, the regulatory proposals have been adjusted and would include requirements related to an emission management plan, emission control requirements, a complaints and officer observation response plan, records and reporting, and a minimum distance between new cannabis production and processing facilities and hospitals, schools, and other sensitive receptors. This report seeks approval from the MVRD Board to conduct the next phase of engagement.

### **PURPOSE**

This report presents feedback received during additional engagement and seeks Board approval to carry out the next phase of formal engagement on adjusted proposals to regulate air emissions from cannabis production, processing and extraction operations.

### **BACKGROUND**

The legalization of recreational cannabis in October 2018 resulted in the rapid expansion of licensed cannabis production and processing facilities in the Metro Vancouver region. On May 24, 2019, the MVRD Board directed staff to proceed with the first phase of engagement on proposals to regulate air emissions from cannabis production and processing operations. At the Climate Action Committee meeting on October 16, 2020, staff reported on feedback from the first phase of engagement that occurred between June and November 2019, and a framework for additional engagement.

This report presents the feedback received during the additional engagement phase, and regulatory proposals adjusted in response to feedback received to date.

### **POTENTIAL IMPACTS OF EMISSIONS FROM CANNABIS PRODUCTION IN METRO VANCOUVER**

Emissions from cannabis production include VOC that have the potential to exacerbate regional issues with the formation of harmful ground-level ozone and secondary fine particulate matter, if insufficiently controlled. Based on scientific literature, Metro Vancouver estimated that potential uncontrolled VOC emissions from licensed cultivation in the region could range from 330 to 2080 tonnes per year, similar to other regulated VOC sources in the region and equivalent to about one to five percent of total regional VOC emissions (Reference 1). The *Regional Ground-level Ozone Strategy for the Canadian Lower Fraser Valley*, adopted by the Board in 2014, identifies VOC reduction as a strategic direction to guide the reduction of ground-level ozone.

The VOC emissions from cannabis production tend to be odorous. Metro Vancouver and member municipalities have received many complaints about odorous emissions from cannabis production.

### **SUMMARY OF ADDITIONAL ENGAGEMENT**

Discussions with other orders of government as well as local cannabis producers took place from November 2020 through March 2021, to help identify effective and realistic emission management solutions that would result in a proposed regulation acceptable to all parties. Staff met with representatives from Health Canada, the Agricultural Land Commission, the Ministry of Environment and Climate Change Strategy, the Ministry of Agriculture, Food and Fisheries, and local cannabis producers. Two public webinars were held in January and February 2021.

Feedback received is summarized in Attachment 1; key highlights are listed below:

- Feedback from the public indicates that odorous emissions continue to be an important concern for residents who live near cannabis production and processing facilities.
- Feedback from the majority of cannabis producers indicates that activated carbon filters are a widely used control technology for the sector that meets Health Canada requirements.
- Cannabis producers in the region expressed concerns about additional costs incurred due to a new regulation but also indicated their interest in doing their part to protect the environment.
- The Ministry of Agriculture, Food and Fisheries seeks to ensure that the potential regulatory requirements would not impose an excessive burden on licensed producers in the region.
- Most cannabis producers and provincial government staff questioned the projected VOC emissions from cannabis production and their relative contribution to regional VOC levels.
- In general, cannabis producers active in the region, government agencies and members of the public indicated a willingness to continue working with Metro Vancouver on this issue.

### **PROPOSED REGULATORY APPROACH**

Federal, provincial, regional, and municipal governments have a role in regulating cannabis production in the Metro Vancouver region. The *Environmental Management Act* delegates authority to Metro Vancouver for air pollution control and air quality management within the Metro Vancouver region, including on industrial and agricultural land. Metro Vancouver regulates emissions through site-specific permits that authorize emissions from individual facilities, and emission regulations that

apply to a group of similar facilities or activities. An emission regulation for cannabis production and processing facilities would provide an efficient mechanism to manage emissions from this sector and protect the environment and public health, while reducing odour impacts.

A potential emission regulation for cannabis production and processing could include the following requirements, which have been adjusted based on feedback received to date and are presented in more detail in the draft discussion paper in Attachment 2.

- Each facility with an indoor growing area greater than 200 m<sup>2</sup> would be required to have an **emission management plan** prepared by a qualified professional, to meet emission control requirements. Micro-producers (facilities smaller than 200 m<sup>2</sup>) expressed concerns about the cost burden of retaining a qualified professional.
- **Emission control requirements** would require facilities to use and maintain activated carbon filters for VOC emission control in structures used for cultivation, processing, and extraction. Quantitative targets for VOC control efficiency based on industry best practices would guide the design of control works in new and existing facilities, with requirements for further improvement in VOC control efficiency in existing facilities within ten years. Facilities using control technologies other than activated carbon would seek authorization through a site-specific permit.
- **Complaints and officer observation response plan** would address requirements to notify Metro Vancouver of complaints, investigate potential causes, and take remedial measures to ensure compliance with the emission management plan. Feedback from control technology providers and affected residents indicates that the odorous properties of VOC emissions from cannabis can be detected at low concentrations. Rapid response to complaints can facilitate checking that VOC emissions are being controlled as required, which is expected to mitigate odour issues.
- **Required records and annual reporting** related to cannabis production and emission controls will enable ongoing confirmation that the emission management plan is well implemented.
- **Minimum distance requirements** would ensure that new facilities would be located no closer than 200 metres from sensitive receptors.
- **Registration fees and variable annual fees based on VOC emissions discharged** would recover costs of application reviews and inspections, and encourage emission reductions. The proposed fees for photoreactive VOC would match what is being considered as part of changes to air quality regulatory fees (Reference 2). No feedback on proposed fees has been received to date.

Based on feedback from stakeholders, outdoor cannabis cultivation and cultivation of industrial hemp under the federal *Industrial Hemp Regulations* will not be covered under the potential regulation.

## CONSULTATION PROCESS AND TIMELINES

Staff propose to engage in consultation on the potential emission regulation between August and November 2021 with a targeted audience of the local cannabis industry, affected members of the public, and government and health agencies. The objective of the consultation would be to inform and obtain feedback from stakeholders and the public about the proposed emission regulation. The details of the potential regulation, adjusted based on engagement to date, is provided in the draft discussion paper titled, “A Potential Emission Regulation for Cannabis Production and Processing in Metro Vancouver, Draft Discussion Paper with Adjusted Proposals, July 2021” (Attachment 2). The attached draft will be updated based on feedback from the Committee and Board, formatted to be consistent with Metro Vancouver’s engagement documents, and used as the basis for consultation.

The consultation process would be conducted in accordance with the Board policy on public engagement. The updated engagement plan (Attachment 3) provides details about the process for the next phase of engagement. Proposed methods include:

- Meetings with licensed cannabis producers and operators of extraction facilities operating in the Metro Vancouver region;
- Meetings with staff from member jurisdictions and other orders of government;
- Virtual or in-person discussions with relevant professional and industry associations;
- Webinars to gather feedback on the potential regulation from the public.

The project website would be updated to include new information, and social media and other means of distribution of material will be relied on as COVID-19 restrictions are relaxed.

### **ALTERNATIVES**

1. That the MVRD Board authorize staff to proceed with the next phase of engagement on the proposed approach to regulating air emissions from cannabis production and processing using the draft discussion paper attached to the report titled “Next Phase of Engagement on a Cannabis Production and Processing Emission Regulation”, dated June 22, 2021.
2. That the Climate Action Committee receive for information the report titled “Next Phase of Engagement on a Cannabis Production and Processing Emission Regulation”, dated June 22, 2021 and provide alternate direction to staff.

### **FINANCIAL IMPLICATIONS**

Under Alternative 1, staff will proceed with the next phase of engagement on a potential bylaw to regulate emissions from cannabis production and processing. The resources needed, including staff time and other costs associated with the consultation program and subsequent development of a potential regulation, have been approved within program budgets for 2021.

Under Alternative 2, the Committee may wish to provide alternate direction to staff on how to address emissions from cannabis production, processing and extraction.

### **CONCLUSION**

The legalization of recreational cannabis in October 2018 resulted in the rapid expansion of licensed cannabis production and processing facilities in the Metro Vancouver region. Uncontrolled VOC emissions from this sector have the potential to increase levels of harmful ground-level ozone and fine particulate matter. According to Metro Vancouver’s estimates using information from scientific literature, the magnitude of potential VOC emissions from licensed cultivation is expected to be similar to other regulated sources of VOC in the region. Both Metro Vancouver and member jurisdictions have received complaints about odorous emissions from cannabis production operations. An emission regulation for cannabis production and processing operations is expected to provide a streamlined mechanism to manage emissions from this sector and protect the environment and public health, while reducing odour impacts.

Staff recommend Alternative 1, to proceed with the next phase of engagement on the proposed approach to regulating air emissions from cannabis production as described in the attached discussion paper titled, “A Potential Emission Regulation for Cannabis Production and Processing in Metro Vancouver, Draft Discussion Paper with Adjusted Proposals, July 2021.” Consultation with the public, businesses, member jurisdictions, other orders of government and other stakeholders is intended to provide any person who may be affected by a potential emission regulation with sufficient opportunity to learn about the proposals and provide feedback.

### Attachments

1. Summary of Additional Engagement, Cannabis Production and Processing, June 18, 2021 (45403687)
2. A Potential Emission Regulation for Cannabis Production and Processing in Metro Vancouver, Draft Discussion Paper with Adjusted Proposals, July 2021 (40179882)
3. Updated Engagement Plan for the Next Phase of Engagement on a Potential Emission Regulation for Cannabis Production and Processing Operations (45275721)

### References

1. [Exploring Options to Manage Emissions from Cannabis Production and Processing Operations in Metro Vancouver, Cannabis Cultivation Emissions Estimate Methodology and Sensitivity Analysis, November 13, 2019.](#)
2. [Proposed Amendments to Air Quality Permit and Regulatory Fees in Metro Vancouver, Discussion Paper, November 2020.](#)

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## Summary of Additional Engagement Cannabis Production and Processing

June 18, 2021



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## 1.0 ADDITIONAL ENGAGEMENT OVERVIEW

### 1.1. Introduction

Metro Vancouver Regional District (MVRD, operating as Metro Vancouver) is responsible for managing and regulating air quality in the region under authority delegated from the provincial government in the *BC Environmental Management Act* (EMA). Metro Vancouver protects public health and the environment through a tiered approach to managing the discharge of air contaminants that applies the use of site-specific permits, sectoral emission regulations, and provisions in the *Greater Vancouver Regional District (GVRD) Air Quality Management Bylaw No. 1082, 2008* (Bylaw 1082). Permits are required for activities and complex facilities with significant levels of emissions that may potentially impact the environment and public health. Regulations apply air emissions control requirements to a group of facilities or activities that share similar characteristics. Bylaw 1082 prohibits any person from discharging air contaminants so as to cause pollution.

The legalization of recreational cannabis in October 2018 resulted in rapid expansion of licensed cannabis production and processing facilities in the Metro Vancouver region. Based on an analysis of the local cannabis sector, published scientific literature, and Health Canada data, Metro Vancouver has projected that these facilities have the potential to emit air contaminants such as volatile organic compounds (VOC) that are precursors to ground-level ozone at a level comparable to other regulated sources in the region. Ground-level ozone is harmful to human health and the environment. Uncontrolled potential emissions of VOC from cannabis production have been projected by Metro Vancouver to be about 800 tonnes per year. This amount represents approximately 2% of the VOC emitted in the region in 2015 (Metro Vancouver, 2019).

During the summer and fall of 2019, Metro Vancouver consulted with a wide spectrum of stakeholders on initial regulatory proposals to control emissions from cannabis production and processing. A report titled “Summary of Feedback on Proposals to Regulate Emissions from Cannabis Production and Processing”, dated September 21, 2020, was presented to the Climate Action Committee on October 16, 2020 including a framework for additional engagement. Based on the broad range of feedback received during Phase 1 consultation activities, an additional period of engagement with key stakeholders was proposed to allow for deeper and focused discussion about the need to control emissions of VOC from cannabis production and processing, and potential measures to do so. Additional engagement with key stakeholders took place from November 2020 through March 2021. All feedback received was used to develop detailed proposals for regulatory measures for a second formal phase of consultation.

### 1.2. Objectives of Additional Engagement

As with the first phase of engagement, for this additional period of engagement, Metro Vancouver committed to the “involve” level of participation as defined in the Board policy on *Public Engagement*. The purpose of additional engagement was to help identify effective and realistic emissions management solutions that would allow a potential regulation to work for all parties.

### 1.3. List of Key Stakeholders

The following key stakeholders were consulted during additional engagement:

General public

- Health Canada (Regulatory Operations and Enforcement Branch)
- Agricultural Land Commission
- Ministry of Environment and Climate Change Strategy
- Ministry of Agriculture, Food and Fisheries (MAFF)
- Cannabis producers:
  - Pure Sunfarms
  - Rubicon Organics
  - Tantalus Labs
  - Canopy Growth (did not participate in meetings, resubmitted their October 2019 letter)
  - Zenabis (did not respond to Metro Vancouver's invitation)
  - Aurora (did not respond to Metro Vancouver's invitation)
  - Benchmark Botanics (did not respond to Metro Vancouver's invitation)
  - BC Micro License Association (did not respond to Metro Vancouver's invitation)

### 1.4. Additional Engagement Activities

In-depth discussions were held, in the form of staff-to-staff meetings, with key stakeholders on four specific engagement questions listed below.

1. What would be effective ways to manage/regulate emissions from this sector in order to reduce impacts?
2. What would be suitable performance standards and how should we verify that emissions are being controlled effectively?
3. What needs to be done to address odour issues?
4. How can we make the regulatory requirements work for all stakeholders, not just the regulated parties or the regulator?

The staff-to-staff meetings held between Metro Vancouver and other governments and producers are listed below. Two public webinars were also held, on January 13, 2021 and February 17, 2021, to share information regarding additional engagement and receive feedback from the general public.

AUDIENCE	DATE	PARTICIPANTS
Agricultural Land Commission	January 18, 2021	2
Health Canada	January 25, 2021	13
Ministry of Environment and Climate Change Strategy (ENV); and Ministry of Agriculture, Food and Fisheries (MAFF)	January 19, 2021	5
Pure Sunfarms	February 8, 2021	2
Rubicon Organics and Ministry of Agriculture, Food and Fisheries	February 16, 2021	4
Tantalus Labs and Ministry of Agriculture, Food and Fisheries	March 3, 2021	3
Metro Vancouver Agricultural Advisory Committee	November 20, 2020	16

Table 1: List of meetings and presentations

Staff from the Ministry of Agriculture, Food and Fisheries (MAFF) attended two of the additional engagement meetings between Metro Vancouver staff and producers. Metro Vancouver staff appreciate MAFF staff's support and contributions to these discussions.

AUDIENCE	DATE	PARTICIPANTS
Public	January 13, 2021	37
Public	February 17, 2021	29

Table 2: List of webinars

## 2.0 ADDITIONAL ENGAGEMENT FEEDBACK

### 2.1 Summary of Feedback

Feedback gathered through consultation activities included a broad range of comments and concerns raised by participants during public webinars and focused feedback from industry professionals and government agencies.

Comments and questions raised by participants generally fell into four broad categories:

- Odour experienced by the public: Feedback from the public indicates that odour from this sector continues to be an important concern for residents who are close to cannabis production and processing facilities.

- Support for activated carbon filters as suitable control technology: Feedback from majority of producers indicates that activated carbon filters are a suitable control technology for the sector and are widely used. Some producers may choose to use a different control technology and apply for a permit instead of registering under the potential regulation.
- Concern about costs to producers: Producers that met with Metro Vancouver staff expressed concerns about additional costs that they may be required to incur due to a new regulation. They also indicated they would like to do their part to protect the environment.
- All producers that are active in the region, government agencies and members of the public expressed that they would like to continue working with Metro Vancouver on this issue.

## 2.2 Detailed Feedback

Feedback received during additional engagement is summarized below. A compilation of all issues raised along with responses from Metro Vancouver staff is presented in the Issue-Response Table in Appendix A. Correspondence containing feedback on the proposals is presented in Appendix B. Appendices A and B are available on Metro Vancouver's website (Reference 1).

### 2.2.1 Control of emissions

The following feedback was received in response to this question: What would be effective ways to manage/regulate emissions from this sector in order to reduce impacts?

- Discussions with producers indicate that activated carbon filters are being successfully used by a majority of cannabis production and processing facilities to control VOC emissions. However, the degree of control being achieved is not well documented. Also, there is at least one facility in the Metro Vancouver region that controls emissions using a biofilter (a biological control system that uses microorganisms on a moist solid matrix to break down contaminants in an airstream). That facility has also installed some activated carbon filtration to control emissions.
- Staff also received questions regarding validity of estimated VOC emissions from this sector. Metro Vancouver had published Cannabis Cultivation Emissions Estimate Methodology and Sensitivity Analysis in November 2019 (Reference 2) containing projections for VOC emissions from all licensed growing area in the region and those estimates continue to guide Metro Vancouver's work.
- Some members of the public expressed concerns that the proposed requirements may conflict with or may be less stringent compared to Health Canada's requirement to be equipped with a system that filters air to prevent escape of odours from facilities. Health Canada requires odour control and filtration at facilities. However, Health Canada does not prescribe a specific technology for control of odours. Health Canada's requirements are limited to control of odours and are not meant to deal with regional air quality impacts of VOC emissions.

### 2.2.2 Verification of emission control

The following feedback was received in response to this question: What would be suitable performance standards and how should we verify that emissions are being controlled effectively?

- All three producers that Metro Vancouver staff met with and that are active in the region have protocols or standard operating procedures to ascertain that control devices are operated and maintained properly. Health Canada requires maintenance logs to be kept at the site. Some producers have also conducted limited air sampling as well.
- Producers, Health Canada staff and provincial government staff have emphasized that odour complaints are not a good way to verify control of VOC since some VOC have very low odour thresholds, i.e. they can be detected by humans at very low concentrations.
- There was general agreement that for large facilities an independent qualified professional needs to determine the number of carbon filters, flow rates, replacement frequency for carbon and other site specific control requirements for VOC.
- Producers and provincial government staff would like to ensure that greenhouses and fully enclosed facilities are treated differently, as greenhouses need to vent and the cost to redesign would be too high.
- Feedback from a producer also confirmed that higher VOC capture efficiency is achievable for trimming and drying rooms in greenhouses compared to growing areas in greenhouses. Additionally, all emissions emanating from processing rooms can be routed through activated carbon filters. This is useful with respect to design of control works as VOC concentrations are reported to be significantly higher in processing rooms.
- Two members of the public resubmitted their November 2020 letter with comments related to use of qualified professionals in design of control systems, tracking and investigations of odour complaints, provisions for security deposits, fines and minimum distance between facilities and sensitive receptors.

### **2.2.3 Addressing odour issues**

The following feedback was received in response to this question: What needs to be done to address odour issues?

- A number of concerned citizens conveyed their frustration with respect to odours from cannabis facilities and odour continues to be an important issue. Members of the public affected by cannabis production odours, generally due to proximity to their residence, would like to see an end to these odour issues.
- All three producers active in the region have some measures in place to follow up on odour complaints. Producers, Health Canada and provincial government staff also noted that some complaints may be due to illicit or personal use growers in proximity of licensed producers.
- Producers would like to get complaints information expeditiously so that they can act on it quickly. Additionally, they would like to know if complaints are new or repeat complaints (without any identifying information).

- One producer noted that they saw a substantial decrease in the number of complaints once the processing facility was fully enclosed and processing facility emissions were routed through activated carbon filters.
- Health Canada has a dedicated email for cannabis complaints (cannabis@canada.ca). Health Canada manages odour emissions on a complaints basis and considers odours a nuisance issue. Health Canada also encourages communication between producers and complainants. Health Canada communicates with licence holders, compiles complaints and inspects as needed.

#### **2.2.4 Balanced requirements**

Following feedback was received in response to this question: How can we make the regulatory requirements work for all stakeholders, not just the regulated parties or the regulator?

All stakeholders appreciated the opportunity to provide feedback. Producers, provincial government staff and Health Canada staff confirmed that they would like to continue working closely with Metro Vancouver on this issue.

#### **2.2.5 Other feedback**

Metro Vancouver staff also received feedback from BC Greenhouse Grower's Association (BCGGA) about various air quality and climate change initiatives. The BCGGA conveyed concerns regarding proposals to regulate emissions from plants. They are concerned about impacts that a potential regulation may have on the broader agricultural sector and food security.

Canopy Growth resubmitted their October 2019 letter to reiterate their concerns related to the magnitude of VOC emissions from the cannabis sector, Metro Vancouver's jurisdiction and using VOC monitoring and detection to address odour complaints from the public. They also confirmed that they were using activated carbon filters, implementing odour management plans and had rapidly closing and double-entry doors when they were operating in the region.

### **2.3 Feedback on Engagement Approach**

Feedback from Metro Vancouver Agricultural Advisory Committee (November 20, 2020) was supportive of the engagement approach presented by staff.

Staff from Agricultural Land Commission did not express any concerns regarding Metro Vancouver's approach.

## **References**

1. [Issue-Response Table and Incoming Correspondence from Additional Engagement on a Cannabis Production and Processing Emissions Regulation \(November 2020 – March 2021\)](#)
2. [Metro Vancouver \(2019\). Exploring Options to Manage Emissions from Cannabis Production and Processing Operations in Metro Vancouver, Cannabis Cultivation Emissions Estimate Methodology and Sensitivity Analysis.](#)

# A Potential Emission Regulation for Cannabis Production and Processing Operations in Metro Vancouver

Draft Discussion Paper with Adjusted Proposals

July 2021





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## INTRODUCTION

Metro Vancouver Regional District (MVRD, operating as Metro Vancouver) is responsible for managing and regulating air quality in the region under authority delegated from the provincial government in the *BC Environmental Management Act*. Metro Vancouver protects public health and the environment through a tiered approach (Figure 1) to managing the discharge of air contaminants that applies the use of site-specific permits, sectoral emission regulations, and provisions in the *Greater Vancouver Regional District (GVRD) Air Quality Management Bylaw No. 1082, 2008* (Bylaw 1082). Permits are required for activities and complex facilities with significant levels of emissions that may have the potential for high impacts on the environment and public health. Regulations apply air emissions control requirements to a group of facilities or activities that share similar characteristics. Facilities can choose to seek authorization of their emissions under an emission regulation, if they meet all the requirements, or under a permit. Bylaw 1082 prohibits any person from discharging air contaminants so as to cause pollution.

The legalization of recreational cannabis in October 2018 resulted in rapid expansion of licensed cannabis production and processing facilities in the Metro Vancouver region. In May 2019, the MVRD Board directed staff to proceed with Phase 1 consultation on proposals to regulate air emissions from cannabis production and processing operations.

During the summer and fall of 2019, Metro Vancouver consulted with a broad spectrum of stakeholders on regulatory proposals to control emissions from cannabis production and processing. A report titled “Summary of Feedback on Proposals to Regulate Emissions from Cannabis Production and Processing”, dated September 21, 2020, was presented to Metro Vancouver’s Climate Action Committee on October 16, 2020 including a framework for additional engagement. Based on the broad range of feedback received during Phase 1 consultation activities, additional engagement with key stakeholders took place from November 2020 through March 2021. The additional engagement allowed for focused discussions about the need to control volatile organic compound (VOC) emissions from cannabis production and processing, and optimal measures to do so, prior to detailed proposals for regulatory measures being developed for a second phase of consultation.

This discussion paper includes adjusted proposals for a potential emission regulation based on feedback from stakeholders received to date. An emission regulation for cannabis production and processing operations is expected to provide a streamlined mechanism to manage emissions from this sector and protect the environment and public health, while reducing odour impacts.

*Figure 1: Tiered Approach to Regulating Air Contaminants in Metro Vancouver*



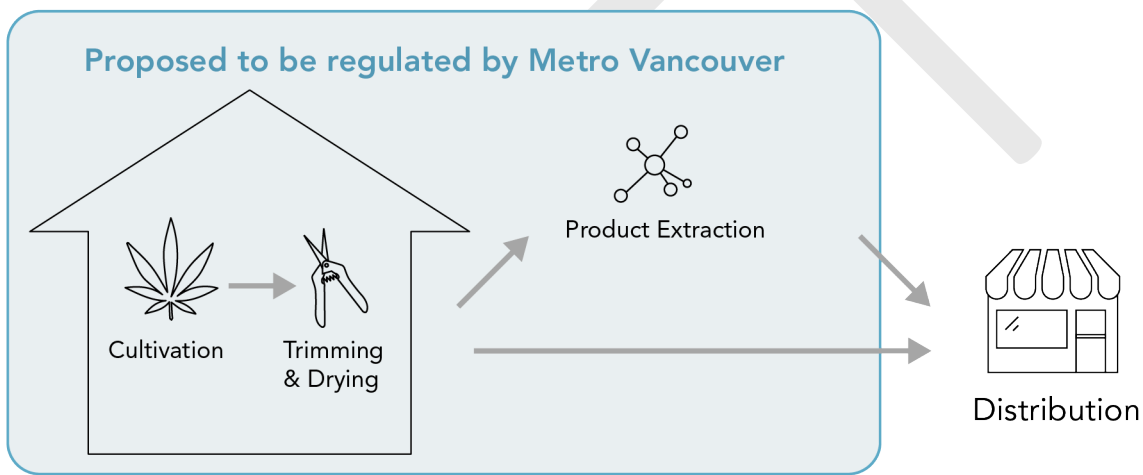
The following sections outline adjusted regulatory proposals to control air emissions from cannabis production and processing operations.

## PURPOSE

This discussion paper describes the adjusted proposals to regulate the discharge of air contaminants from the cultivation, harvesting and handling of cannabis plants and from extraction facilities. Facilities that would be subject to the potential emission regulation include operations conducting indoor cultivation, cultivation by several individuals in cooperatives, cannabis processing

operations such as drying, trimming and harvesting of cannabis plant material and cannabis oil and active ingredient extraction facilities. Outdoor cultivation, personal growing of cannabis plants under the BC *Cannabis Control and Licensing Act* and the federal *Cannabis Act*, and cultivation under the federal *Industrial Hemp Regulations* will not be covered under the proposed regulation.

Figure 2: Scope of Potential Regulation



This discussion paper may be of interest to:

- Businesses that produce and process cannabis, extraction facilities, as well as associations representing these parties;
- Consultants, manufacturers, and suppliers that provide services such as air emission control;
- Businesses involved in the design and construction of cannabis production, processing or extraction operations;
- Holders of a Health Canada licence to produce or process cannabis in the Metro Vancouver region;
- Metro Vancouver's member jurisdictions;

- Agricultural industry;
- Public health experts;
- Members of the public affected by emissions from cannabis production, processing or extraction operations; and
- Other interested parties affected by potential regulatory proposals related to cannabis production, processing and extraction operations or by air quality in the Metro Vancouver region.

The proposed consultation program will allow Metro Vancouver to inform interested parties and the public of the adjusted proposals for regulating emissions from facilities that produce and process

cannabis, and to receive feedback.

Representatives of interested parties and the public will be invited to provide feedback until November 30, 2021.

## DEFINING THE PROBLEM

The legalization of recreational use of cannabis in October 2018 led to the rapid expansion of indoor commercial cannabis production in the Metro Vancouver region and caused concerns about the potential resulting impacts to the environment and public health. In the Metro Vancouver region, a number of greenhouses formerly used for vegetable production have been retrofitted for cannabis production, yet were not designed or constructed to collect and treat air contaminants. Metro Vancouver as well as member municipalities have received complaints about odorous emissions from cannabis production operations.

Information from other jurisdictions in which cannabis is produced suggests that cannabis production has the potential to cause negative air quality impacts if the following emissions are not adequately controlled:

- Air contaminants emitted during cannabis production, processing and extraction include volatile organic compounds (VOC) that may contribute to the formation of harmful ground-level ozone and fine particulate matter through reactions with other substances and sunlight in the lower atmosphere. Emissions most notably occur during the flowering, harvesting, drying and trimming phases, during which high levels of a group of VOC called terpenes can be produced. Terpenes are known for their strong odour and involvement in the production of ground-level ozone and fine particulate matter.
- The power production equipment needed to meet the requirements for heating, lighting and suitable growing environment for the indoor production of cannabis generates emissions of nitrogen oxides and may emit particulate matter, depending on the fuel.

A number of technologies are available to control VOC but these may not all be suitable for cannabis production operations in the Metro Vancouver region. This discussion paper focuses on regulatory proposals for managing VOC emissions from the

cannabis production and processing sector through a potential emission regulation, whereas emissions from power production equipment are managed through site-specific permits or other existing emission regulations.

## GUIDING PRINCIPLES

A regulation to address emissions from cannabis production operations in Metro Vancouver would aim to:

- Emphasize prevention and control of emissions through best management practices and continuous improvement;
- Set efficient and effective requirements that will protect the public and enable the operation of environmentally responsible facilities;
- Follow a 'discharger pay' principle;
- Minimize emissions of volatile organic compounds which can contribute to the formation of ground-level ozone and fine particulate matter, and lead to odour impacts;
- Address concerns expressed by members of the public about impacts from emissions of cannabis production operations, although impacts associated with odorous emissions may not be entirely eliminated; and
- Align with the management plans and strategies adopted by the Metro Vancouver Regional District Board including:
  - the Integrated Air Quality and Greenhouse Gas Management Plan,
  - the Regional Ground-Level Ozone Strategy, and
  - the Odour Management Policy Development Plan.

## WORKING WITHIN THE LEGISLATION

With the adoption of Bill C-45 (the *Cannabis Act*), recreational marijuana became legal in Canada on October 17, 2018. Federal, provincial and local governments, including Metro Vancouver and its member jurisdictions, have roles in the regulation of legal cannabis production and processing.

The federal government is responsible for establishing and maintaining the national framework for regulating the production of cannabis, which includes setting standards for health and safety, and for licensing production and processing facilities. Regulations under the *Cannabis Act* allow cannabis production in enclosed indoor facilities, in greenhouses, and outdoors, provided that security requirements can be met. The new regulations brought into force in 2018 state that if produced in a building, “the building must be equipped with a system that filters air to prevent the escape of odours”. All processing activities must be conducted indoors.

Provinces and territories are responsible for determining how cannabis is distributed and sold within their jurisdictions, and can restrict consumption and possession. The *BC Cannabis Control and Licensing Act* describes requirements and restrictions developed to support public safety, including limits on production for personal use. In addition, the provincial government amended the *BC Agricultural Land Reserve Use, Subdivision and Procedure Regulation* on July 13, 2018. The amendment clarified that the lawful production of cannabis cannot be prohibited in the Agricultural Land Reserve (ALR) if cultivation takes place in an open field, a structure with a soil base, or an existing structure or structure under construction by July 13, 2018 for the purpose of growing crops. Since cannabis production in the ALR is designated as “farm use”, the BC Farm Industry Review Board may hear complaints from persons aggrieved by odour, noise, dust or other disturbances arising from cannabis production in the ALR, under the *Farm Practices Protection (Right to Farm) Act*.

Under Section 31 of the *BC Environmental Management Act* (EMA), Metro Vancouver has delegated authority for air pollution control and air quality management within the Metro Vancouver region, including industrial and agricultural lands. EMA states that the Metro Vancouver Board “may, by bylaw, prohibit, regulate and otherwise control and prevent the discharge of air contaminants”. EMA defines air contaminants, which are generally substances in the air that are capable of impacting health, environment, property, and in some cases, the normal conduct of business. Under *GVRD Air Quality Management Bylaw No. 1082, 2008* (Bylaw 1082), Metro Vancouver exercises its air quality regulatory authority with a system of permits that apply to individual facilities, and emission regulations that apply to types of operations and activities with similar characteristics. For example, Metro Vancouver regulates air emissions from agricultural sources within the region through permits and regulations such as the *GVRD Agricultural Boilers Emission Regulation Bylaw No. 1098, 2008*.

Bylaw 1082 prohibits the discharge of air contaminants by an industry, trade or business unless the discharge is conducted in accordance with a Metro Vancouver emission regulation or permit. The release of air contaminants, including VOC, has the potential to cause air pollution if present in a way that substantially alters or impairs the usefulness of the environment. Bylaw 1082 prohibits any person from discharging, or allowing or causing the discharge of any air contaminant so as to cause pollution. Metro Vancouver can set emission regulations for emissions of air contaminants in the region that are more stringent compared to other parts of the province.

Metro Vancouver’s member jurisdictions are responsible for land-use zoning and business licensing, which can impose conditions on the location and conduct of cannabis production and processing to the extent allowed under provincial legislation such as the *Community Charter* and the *BC Agricultural Land Reserve Use, Subdivision and Procedure Regulation*.

## PROPOSED REGULATORY APPROACH

The objective of introducing an emission regulation for cannabis production and processing operations is to set efficient and effective requirements that will protect the public and enable the operation of environmentally responsible facilities. Facilities can choose to seek authorization of their emissions under an emission regulation, if they meet all the requirements, or under a permit.

### Proposed Requirements in an Emission Regulation

Proposed regulatory requirements to manage VOC emissions from cannabis production and processing facilities fall under five categories:

1. Emission Management Plan
2. Emission Control Requirements
3. Complaints Response Plan
4. Required Records and Reporting
5. Minimum Distance Requirements

#### 1. Emission Management Plan

All facilities must prepare and implement an emission management plan that meets the following requirements:

- a. The emission management plan must include a description of all sources of VOC emissions and controls;
- b. The emission management plan must enable the facility to meet the emission control requirements in the regulation;
- c. For facilities with growing area greater than 200 m<sup>2</sup>, emission management plan must be prepared by a qualified professional (QP) and submitted to the Metro Vancouver District Director for approval;
- d. The emission management plan must specify the number of activated carbon filters, sizes, mass of activated carbon, air flow rates and replacement frequency of activated carbon. For facilities with growing area greater than 200 m<sup>2</sup>, a QP must determine these parameters;

- e. For facilities with growing area greater than 200 m<sup>2</sup>, a QP must confirm the replacement frequency and specification of activated carbon once the facility is in operation by conducting at least three Butane Activity tests (ASTM D5742), separated by at least six weeks and analyzing a minimum of three representative activated carbon filters or samples per test; and
- f. Based on relevant information, such as information included in an inspection report, the District Director may require a review of plans by a QP and/or monitoring.

#### 2. Emission Control Requirements

VOC emissions must be controlled according to the following requirements:

- a. VOC emissions must be captured and treated with activated carbon filters to the maximum extent feasible at all times, based on industry best practice assessed periodically. VOC emission controls must achieve the following control efficiencies for estimated emissions:
  - i. Greater than 95% control efficiency for trim rooms and drying rooms;
  - ii. For greenhouses that use natural ventilation in growing areas and were operational before March 31, 2021, greater than 70% control efficiency for growing areas until July 1, 2031, and greater than 95% control efficiency thereafter; and
  - iii. Greater than 95% control efficiency for other enclosed areas/facilities, including extraction facilities and on-site waste management amenities.
- b. All VOC sources must be enclosed in a structure equipped with operating emission controls;
- c. Activated carbon must be replaced, at a pre-determined frequency, before a significant decline in activated carbon performance is expected. For facilities with growing area greater than 200 m<sup>2</sup>, based on data from Butane Activity tests (ASTM 5742);



- d. Activated carbon filters must be operated and maintained per manufacturer's specifications and, for facilities with growing area greater than 200 m<sup>2</sup>, according to QP guidance;
- e. All doorways in structures must be equipped with rapidly closing double-door systems that provide a barrier to the escape of air contaminants;
- f. All cannabis waste management activities, including composting and waste solvent storage, must be enclosed in structures when conducted on a property where cannabis is produced or processed; and
- g. Extraction facilities using solvent extraction must use a solvent recovery system consistent with industry best practices.

### 3. Complaints and Officer Observation Response Plan

All facilities must prepare and implement a complaints response plan that includes:

- a. Contact information of person(s) responsible for receiving, recording and responding to complaints and notifying Metro Vancouver;
- b. The process to record and investigate complaints and potential causes;
- c. The process for identifying and implementing remedial actions to ensure compliance with the facility's Emission Management Plan and the Emission Control Requirements;
- d. The process to publicize facility contact information for complaints;
- e. Based on relevant information, such as information included in an inspection report, the District Director may require a review of a Complaints Response Plan; and
- f. If an officer detects the presence of air contaminants that are odorous beyond the property boundary, upon notification, facility operators must:
  - i. Investigate potential causes; and
  - ii. Identify and implement remedial actions to ensure

compliance with the facility's Emission Management Plan and the Emission Control Requirements.

### 4. Required Records and Reporting

All facilities must keep records and report information to the District Director as described below:

- a. Keep records of the mass of activated carbon used/discarded, dates of replacement of activated carbon, complaints received and remedial actions taken, changes to control works, number of plants, strains and growing area.
- b. Make records available to an officer for inspection; and
- c. Annual reporting of mass of activated carbon used and discarded, dates of replacement of activated carbon, complaints, responses, and any remedial actions taken.

### 5. Minimum Distance Requirement

New facilities must be located more than 200 metres from land zoned for residential use, hospitals, schools, daycares, playgrounds and community care facilities.

In addition to requirements under the potential regulation to control emissions from cannabis production and processing, boilers and heaters used by a facility would need to comply with the applicable regulations. For facilities with a capacity of 50 MW or less, boilers can register under the *GVRD Agricultural Boilers Emission Regulation Bylaw No. 1098, 2008* for facilities in the Agricultural Land Reserve, or under the *GVRD Boilers and Process Heaters Emission Regulation Bylaw No. 1087, 2008*, as amended, for facilities not in the Agricultural Land Reserve.

Metro Vancouver regulates emissions from reciprocating engines through permits. Facilities using reciprocating engines as a power source, but that would otherwise meet the requirements of the potential regulation, could choose to apply for a permit authorizing emissions from the entire facility or from the reciprocating engine only.

If the facility is not able to comply with all of the emission regulation requirements, or if the facility employs unique technologies in its emission controls that are not authorized in the regulation, the facility may seek authorization for air discharges through the Metro Vancouver permitting process.

## Administration of the Emission Regulation

Metro Vancouver's regulatory system includes a system of user fees which are intended to provide recovery of the costs of developing and administering permits and regulations, following a 'discharger pay' principle. The costs associated with administering the emission regulation are intended to be covered by registration and annual fees.

The proposed registration fee of \$2,000 would cover the cost of the registration process, the review of application and an initial inspection. The annual fee for facilities operating under the potential regulation would be a composite comprising a fixed fee portion of \$250 and an additional variable air contaminant emissions fee portion calculated using the emission fee per tonne of photoreactive VOC established in the *GVRD Air Quality Management Fees Regulation Bylaw No. 1083, 2008*, as amended. This variable fee portion could be determined using estimated facility-wide controlled emissions. Calculations of estimated emissions from growing areas of the facility must be consistent with the calculation of the midpoint estimate for VOC emissions presented in Table 3 of Metro Vancouver's [Cannabis Cultivation Emissions Estimate Methodology and Sensitivity Analysis, November 13, 2019](#). Metro Vancouver would revise the growing area emission factor based on available scientific information on a regular basis. Emissions from processing areas can be estimated based on measured concentrations or concentrations provided by Metro Vancouver, flow rates and control efficiency. Any alternate method for estimating VOC emissions proposed by a registered facility would need to be approved by Metro Vancouver's District Director under the *Environmental Management Act*.

The potential regulation would also specify supplemental increases based on inflation that would occur on an annual or other fixed schedule to reflect increases in administration costs. The fees would come into effect upon implementation of the emission regulation.

Definitions would also be included in the emission regulation to ensure a common understanding of applicable terminology.

## Providing Comments on the Potential Regulatory Initiative

Metro Vancouver is seeking input on the adjusted proposals to regulate air emissions from cannabis production and processing from stakeholders representing different perspectives, and will consider all input in the development of a potential emission regulation. The MVRD Board will receive a summary of the input received.

Metro Vancouver welcomes feedback with respect to the regulatory proposals outlined in this discussion paper. Metro Vancouver will carefully consider all feedback when considering potential proposals for managing emissions from cannabis production operations in the region.

Metro Vancouver staff and contractors will treat comments received with confidentiality; please note that comments you provide and information that identifies you as the source of those comments may be publicly available if a freedom of information (FOI) request is made under the *Freedom of Information and Protection of Privacy Act*. If you have any questions or comments regarding the consultation process, please call 604-432-6200.

Metro Vancouver invites you to provide feedback on this discussion paper by November 30, 2021 to [AQBylaw@metrovancover.org](mailto:AQBylaw@metrovancover.org). Feedback will be considered until the MVRD Board adopts an emission regulation bylaw for managing emissions from cannabis production operations.

Thank you for taking the time to consider and provide input on adjusted regulatory proposals for cannabis production operations in Metro Vancouver.

**Updated Engagement Plan for the Next Phase of Engagement on a Potential Emission Regulation for Cannabis Production and Processing Operations (as submitted to Committee and Board)****Introduction**

Metro Vancouver is committed to engaging with the public, stakeholders and other governments, including First Nations, and incorporating their feedback into a potential Cannabis Production Emission Regulation.

The proposed engagement process is proposed to be conducted between August and November 2021 and will be conducted in accordance with the Metro Vancouver Board Policy on Public Engagement. This phase of engagement builds on the work completed to date to develop a potential emission regulation for cannabis production and processing operations. The engagement plan is designed to reach a broad audience to discuss the purpose and benefits of the potential regulation. Engagement will continue to focus on seeking feedback from affected sectors including cannabis growers and producers, the larger agricultural community, and other orders of government.

Due to public health measures during the COVID-19 pandemic, engagement activities will be conducted mainly using virtual and online means, and staff are planning creative and engaging materials to encourage feedback. More in-person activities may be introduced later in 2021 in accordance with public health recommendations. Feedback will be reported to the Committee, highlighting how it informed the development of an emission regulation for cannabis production and processing operations.

**Engagement Objectives**

- Share information with the public on the proposed measures and benefits of the potential emission regulation.
- Have meaningful conversations with specific sectors and organizations (e.g., those impacted by the proposed regulation such as cannabis producers, the BC Cannabis Legalization and Regulation Secretariat, and Health Canada).
- Provide multiple opportunities for the public and affected sectors and organizations to provide feedback.

**Outcomes**

- A broad audience is aware of the opportunity to provide input into a potential emission regulation for cannabis production and processing operations, and aware of a regulation's purpose and benefits.
- Specific sectors and organizations are aware, have the opportunity to speak with staff, and are requested to provide feedback.
- Feedback is received, recorded, presented to the Board, and where required, staff have responded.
- Feedback is considered in developing a regulation, and adjustments made in light of feedback are highlighted to the Board when presenting the proposed emission regulation for cannabis production and processing operations for consideration.
- A common understanding is sought between Metro Vancouver and cannabis producers on the purpose and feasibility of a potential emission regulation.

**Audience**

Staff expect to engage with the public and the following stakeholders and authorities on a potential emission regulation for open-air burning of vegetative debris in Metro Vancouver:

- The public;
- Member jurisdictions;
- Local Indigenous communities;
- Cannabis producers and processors;
- Agricultural producers;
- Agricultural advisory committees;
- Businesses involved in land development, construction and landscaping;
- Related industry and industry associations;
- Professional organizations;
- Provincial, federal and other government agencies;
- Neighbouring jurisdictions; and
- Health agencies.

### Tactics and Timing

Tactic	Timing
<p><b>Inform audiences</b> that the Discussion Paper titled <i>“A Potential Emission Regulation for Cannabis Production and Processing in Metro Vancouver, Discussion Paper with Adjusted Proposals”</i> is published, purpose and benefits, and options for providing comments.</p> <ul style="list-style-type: none"> <li>• Publish an engaging web resource to house: <ul style="list-style-type: none"> <li>○ Discussion Paper</li> <li>○ Plain language summary of the Discussion Paper</li> <li>○ Highlight purpose and benefits</li> <li>○ Highlight major actions</li> <li>○ Links to contextual documents</li> <li>○ Options for providing comment</li> </ul> </li> <li>• Correspondence to stakeholder audience to include: <ul style="list-style-type: none"> <li>○ Link to web resource</li> <li>○ Invitation to join a public or sector specific virtual forum</li> <li>○ Invitation for a meeting with staff</li> <li>○ Request and options for providing feedback</li> <li>○ Specific mail out to agricultural audience based on previous engagement</li> </ul> </li> <li>• Promote information to broader audience via: <ul style="list-style-type: none"> <li>○ Social media</li> <li>○ Relevant Newsletters</li> <li>○ Request member outreach to residents</li> </ul> </li> </ul>	<p>Upon approval by the Metro Vancouver Board</p>
<p><b>Answer questions and clarify information</b></p> <ul style="list-style-type: none"> <li>• Host five webinars to walk through the Discussion Paper and proposed requirements for managing emissions from cannabis production and answer any questions <ul style="list-style-type: none"> <li>○ 2 public</li> <li>○ 2 stakeholders (focused content for producers, processors and related businesses)</li> </ul> </li> </ul>	<p>Virtual forums – Between September and November 2021</p> <p>Virtual meetings – schedule as requested</p>

<ul style="list-style-type: none"> <li>○ 1 Government</li> <li>• Offer to meet (virtually) with <ul style="list-style-type: none"> <li>○ other governments</li> <li>○ specific sectors and organizations</li> <li>○ other relevant audiences</li> </ul> </li> <li>• Respond to email queries to project email and moderate social media</li> </ul>	Respond to queries and moderate social media – ongoing
<p><b>Ensure specific sectors and organizations are aware, have the opportunity to speak with staff, and are requested to provide feedback</b></p> <ul style="list-style-type: none"> <li>• Phone or email direct offers to have a virtual meeting and conversation with audiences the project team deems essential to hear from (e.g. implementation, collaboration, alignment, higher impact etc.)</li> </ul>	Between August and November 2021
<p><b>Compile feedback</b></p> <ul style="list-style-type: none"> <li>• Collect and review feedback</li> <li>• Create a table that can be filtered for theme and audience</li> </ul>	Between December 2021 and February 2022
<b>Analyze/ incorporate into draft Emission Regulation for Cannabis Production and Processing Operations</b>	TBD
<p><b>Draft Emission Regulation for Cannabis Production and Processing Operations to MVRD Board</b></p> <ul style="list-style-type: none"> <li>• Include summary of engagement and feedback and how feedback was applied</li> </ul>	TBD

45275721

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To: Climate Action Committee

From: Kathy Preston, Program Manager, Environmental Regulation and Enforcement  
Parks and Environment Department

Date: June 18, 2021 Meeting Date: July 16, 2021

Subject: **Board Appointment of Enforcement Officers**

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**RECOMMENDATION**

That the MVRD Board:

- a) pursuant to the *Greater Vancouver Regional District Air Quality Management Bylaw 1082, 2008* and the *Environmental Management Act*:
  - i. appoint Metro Vancouver employees Eugene Lee and Rei Van as officers; and
- b) pursuant to section 28 of the *Offence Act*:
  - i. appoint Metro Vancouver employees Eugene Lee and Rei Van for the purpose of serving summons under section 28 of the *Offence Act* for alleged violations under the *Greater Vancouver Regional District Air Quality Management Bylaw 1082, 2008*.

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**EXECUTIVE SUMMARY**

Recent changes in staff have resulted in a need to update staff appointments as MVRD Board-designated officers under the *Greater Vancouver Regional District Air Quality Management Bylaw 1082, 2008*, the *Environmental Management Act* and the *Offence Act*. Staff recommend that the MVRD Board appoint staff accordingly.

**PURPOSE**

To appoint Metro Vancouver employees as Board-designated officers.

**BACKGROUND**

Employment status changes for Metro Vancouver environmental regulatory staff have resulted in a need to update staff appointments to ensure appropriate authority to advance air quality management goals. Section 31 of the *Environmental Management Act* and the *Greater Vancouver Regional District Air Quality Management Bylaw No. 1082, 2008* grant authority to Board-designated officers.

**ROLE OF PERMITTING AND ENFORCEMENT OFFICERS**

Metro Vancouver's Air Quality Regulatory Program supports the goals of the Integrated Air Quality and Greenhouse Gas Management Plan by promoting compliance with air quality management bylaws and regulating the discharge of air contaminants.

Officers may enter property, inspect works, and obtain records and other information to promote compliance with the *Environmental Management Act* and MVRD air quality management bylaws.

The *Offence Act* allows regional districts to appoint bylaw enforcement officers for the purpose of serving summons for bylaw violations. Officers, if appointed for that purpose, may serve a summons in respect of alleged offences under the *Greater Vancouver Regional District Air Quality Management Bylaw 1082, 2008*.

#### **ALTERNATIVES**

1. That the MVRD Board:
  - a) pursuant to the *Greater Vancouver Regional District Air Quality Management Bylaw 1082, 2008* and the *Environmental Management Act*:
    - i. appoint Metro Vancouver employees Eugene Lee and Rei Van as officers; and
  - b) pursuant to section 28 of the *Offence Act*:
    - i. appoint Metro Vancouver employees Eugene Lee and Rei Van for the purpose of serving summons under section 28 of the *Offence Act* for alleged violations under the *Greater Vancouver Regional District Air Quality Management Bylaw 1082, 2008*.
2. That the MVRD Board receive for information the report dated June 18, 2021, titled “Board Appointment of Enforcement Officers” and provide alternate direction to staff.

#### **FINANCIAL IMPLICATIONS**

There are no additional financial implications for expenditures as the MVRD appointees are already on staff.

#### **CONCLUSION**

Recent changes in staff have resulted in a need to update staff appointments as MVRD Board-designated officers under the *Greater Vancouver Regional District Air Quality Management Bylaw 1082, 2008*, the *Environmental Management Act* and the *Offence Act*. Staff recommend that the MVRD Board adopt Alternative 1.

46164151



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To: Performance and Audit Committee

From: Joe Sass, Deputy Chief Financial Officer/Director, Financial Planning and Operations

Date: June 14, 2021 Meeting Date: July 7, 2021

Subject: **MFA Fall 2021 Borrowing for Surrey – MVRD Security Issuing Bylaw No. 1323, 2021**

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**RECOMMENDATION**

That the MVRD Board:

- a) give consent to the request for financing from the City of Surrey in the amount of \$150,600,000 pursuant to Sections 182(1)(b) and 182(2)(a) of the *Community Charter*;
- b) give first, second and third reading to *Metro Vancouver Regional District Security Issuing Bylaw No. 1323, 2021* 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. 1323, 2021*; and forward it to the Inspector of Municipalities for Certificate of Approval.

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**EXECUTIVE SUMMARY**

As set out in the *Community Charter*, the Metro Vancouver Regional District (MVRD) must adopt a security issuing bylaw in order to enable the City of Surrey to proceed with their long term borrowing request of \$150,600,000. This borrowing relates to three infrastructure projects. The City's total estimated annual debt servicing costs for existing and new proposed debt combined is approximately \$25,000,000 which is roughly 12.4% of their overall liability servicing limit and 61.9% of the approval-free liability threshold. Surrey has met the regulatory requirements and has the legislative authority to undertake the planned infrastructure borrowing. The proposed *Metro Vancouver District Security Issuing Bylaw No. 1323, 2021* will authorize the City of Surrey's borrowing request.

Staff recommends consenting to City of Surrey's borrowing request and adopting the Security Issuing Bylaw as outlined in Alternative 1.

**PURPOSE**

To seek the adoption of a Security Issuing Bylaw to authorize a borrowing request from the City of Surrey in the amount of \$150,600,000 for the Fall 2021 MFA long term debt issue.

**BACKGROUND**

The City of Surrey is requesting from Metro Vancouver Regional District (MVRD) to borrow \$150,600,000 to fund three infrastructure projects as outlined below in Table 1. This request has been approved by Surrey's respective council by way of Loan Authorization Bylaw and Security Issuing Resolution as required under provincial legislation. This report is being brought forward to the MVRD Board to seek the adoption of *Metro Vancouver Security Issuing Bylaw No. 1323, 2021* which will authorize the borrowing request from Surrey. The borrowing must be approved by the MVRD Board

before the Security Issuing Bylaw can be issued and the request is forwarded to the MFA for consideration.

## MUNICIPAL BORROWING REQUEST

### Request Details

The City of Surrey has adopted the Loan Authorization Bylaws as outlined in Table 1 below. Their Council subsequently passed the required Security Issuing Resolutions on April 12, 2021 to proceed with the 2021 Fall Borrowing for the requested amounts within the authorized and outstanding balances of the respective bylaws. This request is within the parameters set out in the City of Surrey Financial Plan Bylaw, with a slight amendment to the timing of the \$20.6 million borrowing for Cloverdale Sports and Ice Complex, which was originally planned for 2022 Spring debt issue but expedited to 2021 Fall debt issue due to the recent and anticipated rising interest rates.

**Table 1**

<b>MVRD Bylaw</b>	<b>Member Bylaw</b>	<b>Date Bylaw Passed</b>	<b>Purpose</b>	<b>Borrowing Request</b>	<b>Term</b>
<b>1323, 2021</b>	20270,2021	Jan 25, 2021	City Centre Sports Complex	\$40,000,000	25 years
<b>1323, 2021</b>	20271,2021	Jan 25, 2021	Cloverdale Sport and Ice Complex	\$20,600,000	25 years
<b>1323, 2021</b>	20272,2021	Jan 25, 2021	Newton Community Centre Construction and Land Acquisition	\$90,000,000	25 years
Total 2021 Fall Borrowing Request				\$150,600,000	

The member's loan authorization bylaws identified above has been reviewed by the Inspector of Municipalities and have received the necessary Certificates of Approval. The certificates are included in Attach 2 of this report.

### Financial Analysis

Per the Liability Servicing Limit Certificate dated January 29, 2021, Surrey's estimated annual debt servicing costs for the proposed bylaw will be approximately \$8.6 million. When combined with existing annual debt servicing costs, the total costs will be approximately \$25.0 million which is roughly 12.4% of their overall liability servicing limit (\$201.5 million) and 61.9% of the approval-free liability threshold (\$40.3 million). The overall limit represents the maximum amount, as prescribed by the Province, that Surrey can annually pay for servicing debt. An approval-free liability threshold represents the annual cost of servicing on the proposed liability that Surrey can incur without approval of the electors through assent voting or alternative approval process. Surrey's annual debt servicing costs are expected to be positioned well below both the approval-free and overall debt servicing limit.

All debt of the MVRD is a joint and several liability of its member municipalities.

Included as attachment are the following additional information provided by Surrey to assist in considering this request:

- Copy of security issuing resolution
- Adopted Loan Authorization Bylaws along with Certificates of Approval
- Liability Servicing Limit Certificate
- the 2021 - 2025 Financial Plan General Operating – Revenue Summary
- the 2021 - 2025 Financial Plan General Operating – Expenditure and Transfer Summary
- the 2021 - 2025 Capital Financial Plan – Executive Summary
- 2020 Audited Consolidated Financial Statements
- 2020 Audited Consolidated Financial Statements notes #9 (Deferred development cost charges) and #12 (Accumulated Surplus) are included to satisfy the requirement for a schedule of designated and non-designated reserves)

#### **ALTERNATIVES**

1. That the MVRD Board:
  - a) give consent to the request for financing from the City of Surrey in the amount of \$150,600,000 pursuant to Sections 182(1)(b) and 182(2)(a) of the *Community Charter*;
  - b) give first, second and third reading to *Metro Vancouver Regional District Security Issuing Bylaw No. 1323, 2021* 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. 1323, 2021*; and forward it to the Inspector of Municipalities for Certificate of Approval.
2. That the MVRD Board receive for information the report dated June 14, 2021, titled “MFA Fall 2021 Borrowing for Surrey – MVRD Security Issuing Bylaw No. 1323, 2021”.

#### **FINANCIAL IMPLICATIONS**

Although all member debt is a joint and shared 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 Surrey will proceed to borrow \$150,600,000 to fund their infrastructure projects.

If the Board approves Alternative 2, the City of Surrey would be unable to borrow funds as required for the purpose intended and would need to look for other funding sources, potentially causing the City undue financial challenges.

#### **CONCLUSION**

The City of Surrey has requested to borrow \$150,600,000 to fund three infrastructure projects. The City has met all regulatory requirements and has the legislative authority to undertake the infrastructure borrowing. The proposed *Metro Vancouver Regional District Security Issuing Bylaw No. 1323, 2021* will authorize the City of Surrey borrowing request which will be forwarded to MFA for consideration upon approval. Staff recommends consenting to the City’s borrowing and adopting the Security Issuing Bylaw as outlined in Alternative 1.

**Attachments**

1. *Metro Vancouver Regional District Security Issuing Bylaw No. 1323, 2021*
2. City of Surrey - Additional Information

45960370

**METRO VANCOUVER REGIONAL DISTRICT  
BYLAW NO. 1323, 2021**

**A bylaw to Authorize the Entering into a Financing Agreement with the Municipal Finance Authority of British Columbia in the Amount of \$150,600,000 (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 Surrey 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 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>
20270,2021	City Centre Sports Complex	\$40,000,000		\$40,000,000	25 years	\$40,000,000
20271,2021	Cloverdale Sport and Ice Complex	\$20,600,000		\$20,600,000	25 years	\$20,600,000
20272,2021	Newton Community Centre Construction and Land Acquisition	\$90,000,000		\$90,000,000	25 years	\$90,000,000
Total 2021 Fall Borrowing Request						\$150,600,000

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 Surrey in the amount of one hundred and fifty million six hundred thousand dollars (\$150,600,000) 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 City of Surrey up to, but not exceeding one hundred and fifty million six hundred thousand dollars (\$150,600,000) 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 \$150,600,000 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 the City of Surrey City Centre Sports Complex Loan Authorization Bylaw No. 20270, 2021, Cloverdale Sport and Ice Complex Loan Authorization Bylaw No. 20271, 2021 and Newton Community Centre Construction and Land Acquisition Loan Authorization Bylaw No. 20272, 2021, 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. 1323, 2021".

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

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 one hundred and fifty million six hundred thousand dollars (\$150,600,000) 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 \_\_\_\_\_, 2021.

IN TESTIMONY WHEREOF and under the authority of Bylaw No. 1323, 2021 cited as "Metro Vancouver Regional District Security Issuing Bylaw No. 1323, 2021". 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 \_\_\_\_\_, 2021  
(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>
<hr/>	<hr/> \$	<hr/> \$	<hr/> \$
<hr/>	<hr/> \$	<hr/> \$	<hr/> \$

CITY OF SURREYBYLAW NO. 20270

A bylaw to authorize the borrowing of the  
estimated cost of construction of a Sports Complex in  
Surrey City Centre

WHEREAS it is deemed desirable and expedient to construct a sports complex in Surrey City Centre;

AND WHEREAS the estimated cost to construct the project including expenses incidental thereto is the sum of forty million dollars (\$40 million), of which the sum of forty million dollars (\$40 million) is the amount of debt intended to be borrowed by this Bylaw;

NOW THEREFORE, the Council of the City of Surrey ENACTS AS FOLLOWS:

1. The Council is hereby empowered and authorized to undertake and carry out or cause to be carried out the construction of a sports complex in Surrey City Centre generally in accordance with 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 forty million dollars (\$40 million); and
  - 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 a sports complex in Surrey City Centre.
2. The maximum term for which debentures may be issued to secure the debt created by this Bylaw is thirty (30) years.
3. This Bylaw may be cited as "City Centre Sports Complex Loan Authorization Bylaw, 2021, No. 20270".

PASSED FIRST READING on the on the 25th day of January, 2021.

PASSED SECOND READING on the on the 25th day of January, 2021.



PASSED THIRD READING on the on the 25th day of January, 2021.

APPROVED BY THE DEPUTY INSPECTOR OF MUNICIPALITIES on the 26th day of March, 2021.

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk, and sealed with the Corporate Seal on the 12th day of April, 2021.

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF  
BYLAW NO. 20270 WHICH RECEIVED FINAL ADOPTION BY THE CITY  
COUNCIL OF THE CITY OF SURREY AT THE REGULAR COUNCIL - PUBLIC  
HEARING MEETING HELD ON THE 12TH DAY OF APRIL, 2021.

  
JENNIFER FICOCELLI, CITY CLERK

 MAYOR  
 CLERK



## *Certificate of Approval*

Under the authority of the *Local Government Act*, I certify that Bylaw No. 20270, cited as the “City Centre Sports Complex Loan Authorization Bylaw, 2021, No. 20270” of the City of Surrey 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*                      21st                      *day*  
*Of*                                May                      , 2021

*Deputy Inspector of Municipalities of British Columbia*

11. "City Centre Sports Complex Loan Authorization Bylaw, 2021, No. 20270"  
3900-20-20270 – New Regulatory Bylaw  
A Bylaw to authorize the borrowing of \$40 million dollars for the construction of a sports complex in Surrey City Centre.

Approved by Council: January 25, 2021  
Corporate Report Item No. 2021-R016

It was

Moved by Councillor Guerra  
Seconded by Councillor Patton

That Council approve borrowing from the Municipal Finance Authority of British Columbia as part of the Fall 2021 Borrowing Session in the amount of forty million (\$40,000,000), as authorized through City Centre Sports Complex Loan Authorization Bylaw, 2021, No.20270 and that the Metro Vancouver Regional District be requested to consent to our borrowing over a twenty-five (25) year term and include the borrowing in their Security Issuing Bylaw.

RES.R21-541

Carried

It was

Moved by Councillor Guerra  
Seconded by Councillor Patton  
That "City Centre Sports Complex Loan

Authorization Bylaw, 2021, No. 20270" be finally adopted.

RES.R21-542

Carried

12. "Cloverdale Sport and Ice Complex Loan Authorization Bylaw, 2021, No. 20271"  
3900-20-20271 – New Regulatory Bylaw  
A Bylaw to authorize the borrowing of \$20.6 million dollars for the construction of a sport and ice complex in Cloverdale.

Approved by Council: January 25, 2021  
Corporate Report Item No. 2021-R016

It was

Moved by Councillor Guerra  
Seconded by Councillor Patton

That Council approve borrowing from the Municipal Finance Authority of British Columbia as part of the Fall 2021 Borrowing Session in the amount of twenty million, six hundred thousand (\$20,600,000), as authorized through Cloverdale Sport and Ice Complex Loan Authorization By-law, 2021, No. 20271 and that the Metro Vancouver Regional District be requested to consent to our borrowing over a twenty-five (25) year term and include the borrowing in their Security Issuing Bylaw.

RES.R21-543

Carried

## LIABILITY SERVICING LIMIT CERTIFICATE

The City of Surrey (the "Municipality")  
In relation to City Centre Sports Complex Loan Authorization By-law, 2021, No. 20270

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>\$806,106,374.00</u> a
Liability Servicing Limit (a x 25%) (section 2, BC Reg 254/2004)	<u>\$201,526,593.50</u> b
Annual Servicing cost for previous year	<u>\$16,377,587.00</u> c

Plus: New liabilities incurred, other than current request

Liability Type and reference	Annual servicing cost	
Newton Comm. Ctr. & Land Acq.	<u>\$4,916,656.00</u> d	LA Bylaw No. 20272, 2.24%, 25 yrs.
Cloverdale Sport & Ice Complex	<u>\$1,487,422.00</u> e	LA Bylaw No. 20271, 4.00%, 25 yrs.
		f
		g
		h
		i
		j
		k
		l
Total of lines d through l		<u>\$6,404,078.00</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		<u>\$0.00</u> s
Amount of new liability (section 3, BC Reg 254/2004)	<u>\$40,000,000.00</u> t	
Annual servicing cost of new liability (2.24%, 25 yrs.) (section 3, BC Reg 254/2004)		<u>\$2,185,181.00</u> u
Total liability servicing cost including current request (lines c+m-s+u)		<u>\$24,966,846.00</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 29<sup>th</sup> day of JANUARY, 2021

  
Financial Officer

OR

Auditor

Kam Chowal  
(Please print full name)

(Please print full name & company)

Assent-Free Liability Servicing limit (line a x 5%)	<u>\$40,305,318.70</u>
Total liability servicing cost including current request (line v)	<u>\$24,966,846.00</u>
Assent-Free Liability Servicing limit remaining	<u>\$15,338,472.70</u>

CITY OF SURREY

BYLAW NO. 20271

A bylaw to authorize the borrowing of the  
estimated cost of construction of a Sport and Ice  
Complex in Cloverdale

.....

WHEREAS it is deemed desirable and expedient to construct a sport and ice complex in Cloverdale;

AND WHEREAS the estimated cost to construct the project including expenses incidental thereto is the sum of fifty million and fifty thousand dollars (\$50.05 million), of which the sum of twenty million six hundred thousand dollars (\$20.6 million) is the amount of debt intended to be borrowed by this Bylaw;

NOW THEREFORE, the Council of the City of Surrey ENACTS AS FOLLOWS:

1. The Council is hereby empowered and authorized to undertake and carry out or cause to be carried out the construction of a sport and ice complex in Cloverdale generally in accordance with 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 twenty million six hundred thousand dollars (\$20.6 million); and
  - 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 a sport and ice complex in Cloverdale.
2. The maximum term for which debentures may be issued to secure the debt created by this Bylaw is thirty (30) years.
3. This Bylaw may be cited as "Cloverdale Sport and Ice Complex Loan Authorization Bylaw, 2021, No. 20271".

PASSED FIRST READING on the on the 25th day of January, 2021.


PASSED SECOND READING on the on the 25th day of January, 2021.

PASSED THIRD READING on the on the 25th day of January, 2021.

APPROVED BY THE DEPUTY INSPECTOR OF MUNICIPALITIES on the 26th day of March, 2021.

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk, and sealed with the Corporate Seal on the 12th day of April, 2021.

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF  
BYLAW NO. 20271 WHICH RECEIVED FINAL ADOPTION BY THE CITY  
COUNCIL OF THE CITY OF SURREY AT THE REGULAR COUNCIL -  
PUBLIC HEARING MEETING HELD ON THE 12TH DAY OF APRIL, 2021.

 MAYOR

 CLERK

  
JENNIFER FICOCELLI, CITY CLERK



## *Certificate of Approval*

Under the authority of the *Local Government Act*, I certify that Bylaw No. 20271, cited as the “Cloverdale Sport and Ice Complex Loan Authorization Bylaw, 2021, No. 20271” of the City of Surrey 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*                      21st                      *day*  
*Of*                                May                      , 2021

*Deputy Inspector of Municipalities of British Columbia*



11. "City Centre Sports Complex Loan Authorization Bylaw, 2021, No. 20270"  
3900-20-20270 – New Regulatory Bylaw  
A Bylaw to authorize the borrowing of \$40 million dollars for the construction of a sports complex in Surrey City Centre.

Approved by Council: January 25, 2021  
Corporate Report Item No. 2021-R016

It was Moved by Councillor Guerra  
Seconded by Councillor Patton  
That Council approve borrowing from the  
Municipal Finance Authority of British Columbia as part of the Fall 2021 Borrowing  
Session in the amount of forty million (\$40,000,000), as authorized through City  
Centre Sports Complex Loan Authorization Bylaw, 2021, No.20270 and that the Metro  
Vancouver Regional District be requested to consent to our borrowing over a twenty-  
five (25) year term and include the borrowing in their Security Issuing Bylaw.

RES.R21-541

Carried

It was Moved by Councillor Guerra  
Seconded by Councillor Patton  
That "City Centre Sports Complex Loan  
Authorization Bylaw, 2021, No. 20270" be finally adopted.

RES.R21-542

Carried

12. "Cloverdale Sport and Ice Complex Loan Authorization Bylaw, 2021, No. 20271"  
3900-20-20271 – New Regulatory Bylaw  
A Bylaw to authorize the borrowing of \$20.6 million dollars for the construction of  
a sport and ice complex in Cloverdale.

Approved by Council: January 25, 2021  
Corporate Report Item No. 2021-R016

It was Moved by Councillor Guerra  
Seconded by Councillor Patton  
That Council approve borrowing from the  
Municipal Finance Authority of British Columbia as part of the Fall 2021 Borrowing  
Session in the amount of twenty million, six hundred thousand (\$20,600,000), as  
authorized through Cloverdale Sport and Ice Complex Loan Authorization By-law,  
2021, No. 20271 and that the Metro Vancouver Regional District be requested to  
consent to our borrowing over a twenty-five (25) year term and include the  
borrowing in their Security Issuing Bylaw.

RES.R21-543

Carried



## LIABILITY SERVICING LIMIT CERTIFICATE

The City of Surrey (the "Municipality")  
In relation to Cloverdale Sport and Ice Complex Loan Authorization By-law, 2021, No. 20271

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>\$806,106,374.00</u> a
Liability Servicing Limit (a x 25%) (section 2, BC Reg 254/2004)	<u>\$201,526,593.50</u> b
Annual Servicing cost for previous year	<u>\$16,377,587.00</u> c

Plus: New liabilities incurred, other than current request

Liability Type and reference	Annual servicing cost	
Newton Comm. Ctr. & Land Acq.	<u>\$4,916,656.00</u> d	LA Bylaw No. 20272, 2.24%, 25 yrs.
City Centre Sports Complex	<u>\$2,185,181.00</u> e	LA Bylaw No. 20270, 2.24%, 25 yrs.
		f
		g
		h
		i
		j
		k
		l
Total of lines d through l		<u>\$7,101,837.00</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		<u>\$0.00</u> s
Amount of new liability (section 3, BC Reg 254/2004)	<u>\$20,600,000.00</u> t	
Annual servicing cost of new liability (4.00%, 25 yrs.) (section 3, BC Reg 254/2004)		<u>\$1,487,422.00</u> u
Total liability servicing cost including current request (lines c+m-s+u)		<u>\$24,966,846.00</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 29<sup>th</sup> day of JANUARY, 2021

  
Financial Officer  
Kam Grewal  
(Please print full name)

OR

Auditor

(Please print full name & company)

Assent-Free Liability Servicing limit (line a x 5%)	<u>\$40,305,318.70</u>
Total liability servicing cost including current request (line v)	<u>\$24,966,846.00</u>
Assent-Free Liability Servicing limit remaining	<u>\$15,338,472.70</u>

CITY OF SURREY

BYLAW NO. 20272

A bylaw to authorize the borrowing of the  
estimated cost of construction of a community centre  
in Newton  
.....

WHEREAS it is deemed desirable and expedient to acquire land and construct a new community centre in Newton upon such land;

AND WHEREAS the estimated cost to acquire land and construct the project including expenses incidental thereto is the sum of ninety million dollars (\$90 million), of which the sum of ninety million dollars (\$90 million) is the amount of debt intended to be borrowed by this Bylaw;

NOW THEREFORE, the Council of the City of Surrey ENACTS AS FOLLOWS:

1. The Council is hereby empowered and authorized to undertake and carry out or cause to be carried out the acquisition of land and construction of a community centre in Newton generally in accordance with 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 ninety million dollars (\$90 million); and
  - 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 acquisition of land and construction of a community centre in Newton.
2. The maximum term for which debentures may be issued to secure the debt created by this Bylaw is thirty (30) years.
3. This Bylaw may be cited as "Newton Community Centre Construction and Land Acquisition Loan Authorization Bylaw, 2021, No. 20272".

PASSED FIRST READING on the on the 25th day of January, 2021.

PASSED SECOND READING on the on the 25th day of January, 2021.

PASSED THIRD READING on the on the 25th day of January, 2021.

APPROVED BY THE DEPUTY INSPECTOR OF MUNICIPALITIES on the 26th day of March, 2021.

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk, and sealed with the Corporate Seal on the 12th day of April, 2021.

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY  
OF BYLAW NO. 20272 WHICH RECEIVED FINAL ADOPTION BY  
THE CITY COUNCIL OF THE CITY OF SURREY AT THE REGULAR  
COUNCIL - PUBLIC HEARING MEETING HELD ON THE 12TH DAY  
OF APRIL, 2021.

 MAYOR

 CLERK

  
JENNIFER FICOCELLI, CITY CLERK



## *Certificate of Approval*

Under the authority of the *Local Government Act*, I certify that Bylaw No. 20272, cited as the “Newton Community Centre Construction and Land Acquisition Loan Authorization Bylaw, 2021, No. 20272” of the City of Surrey 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*                      21st                      *day*  
*Of*                                May                      , 2021

*Deputy Inspector of Municipalities of British Columbia*

It was Moved by Councillor Guerra  
Seconded by Councillor Patton  
That "Cloverdale Sport and Ice Complex  
Loan Authorization Bylaw, 2021, No. 20271" be finally adopted.  
RES.R21-544 Carried

13. "Newton Community Centre Construction and Land Acquisition Loan  
Authorization Bylaw, 2021, No. 20272"  
3900-20-20272 – New Regulatory Bylaw  
A Bylaw to authorize the borrowing of \$90 million dollars for the construction of a  
community centre in Newton.

Approved by Council: January 25, 2021  
Corporate Report Item No. 2021-R016

It was Moved by Councillor Guerra  
Seconded by Councillor Patton  
That Council approve borrowing from the  
Municipal Finance Authority of British Columbia as part of the Fall 2021 Borrowing  
Session in the amount of ninety million (\$90,000,000), as authorized through  
Newton Community Centre Construction and Land Acquisition Loan  
Authorization Bylaw, 2021, No. 20272 and that the Metro Vancouver Regional  
District be requested to consent to our borrowing over a twenty-five (25) year term  
and include the borrowing in their Security Issuing Bylaw.  
RES.R21-545 Carried

It was Moved by Councillor Guerra  
Seconded by Councillor Patton  
That "Newton Community Centre  
Construction and Land Acquisition Loan Authorization Bylaw, 2021, No. 20272" be  
finally adopted.  
RES.R21-546 Carried

14. "Business License Bylaw, 1999, No. 13680, Amendment Bylaw, 2021, No. 20293"  
3900-20-20293 – Regulatory Text Amendment  
This amendment to the Business License Bylaw adds new definition for Housing  
Agreement, and amends Section 39, Alcohol and Drug Recovery Houses to require  
supportive recovery homes to enter into a housing agreement with the City as a  
condition of a new business licence, and for renewal business licences beginning  
November 1, 2021

Approved by Council: February 8, 2021  
Corporate Report Item No. 2021-R026

Earlier in the meeting, Council approved the recommendations of Corporate  
Report Item No. R060. Bylaw No. 20293 is therefore in order for consideration.

## LIABILITY SERVICING LIMIT CERTIFICATE

The City of Surrey (the "Municipality")  
In relation to Newton Community Centre Construction and Land Acquisition Loan Authorization By-law, 2021, No. 20272

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>\$806,106,374.00</u> a
Liability Servicing Limit (a x 25%) (section 2, BC Reg 254/2004)	<u>\$201,526,593.50</u> b
Annual Servicing cost for previous year	<u>\$16,377,587.00</u> c

Plus: New liabilities incurred, other than current request

Liability Type and reference	Annual servicing cost	
City Centre Sports Complex	<u>\$2,185,181.00</u> d	LA Bylaw No. 20270, 2.24%, 25 yrs.
Cloverdale Sport & Ice Complex	<u>\$1,487,422.00</u> e	LA Bylaw No. 20271, 4.00%, 25 yrs.
		f
		g
		h
		i
		j
		k
		l
Total of lines d through l		<u>\$3,672,603.00</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		<u>\$0.00</u> s
Amount of new liability (section 3, BC Reg 254/2004)	<u>\$90,000,000.00</u> t	
Annual servicing cost of new liability (2.24%, 25 yrs.) (section 3, BC Reg 254/2004)		<u>\$4,916,656.00</u> u
Total liability servicing cost including current request (lines c+m-s+u)		<u>\$24,966,846.00</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 29<sup>th</sup> day of JANUARY, 2021

 OR  
Financial Officer

KAM Grewal  
(Please print full name)

Auditor

(Please print full name & company)

Assent-Free Liability Servicing limit (line a x 5%)	\$40,305,318.70
Total liability servicing cost including current request (line v)	\$24,966,846.00
Assent-Free Liability Servicing limit remaining	\$15,338,472.70



## 2021 - 2025 FINANCIAL PLAN

### GENERAL OPERATING - REVENUE SUMMARY

(in thousands)

REVENUE SUMMARY	2021 BUDGET	2022 PLAN	2023 PLAN	2024 PLAN	2025 PLAN
<b>CORPORATE REVENUES</b>					
Base Levy	\$ 354,565	\$ 367,436	\$ 382,645	\$ 398,460	\$ 414,906
Property/Folio Growth (City's Portion)	1,773	3,674	3,826	3,985	4,149
Property Tax Rate Increase	11,198	11,635	12,089	12,561	13,052
Provision for Adjustments	(100)	(100)	(100)	(100)	(100)
	<b>367,436</b>	<b>382,645</b>	<b>398,460</b>	<b>414,906</b>	<b>432,007</b>
Grants in Lieu	18,564	18,945	19,336	19,740	20,156
Capital Parcel Tax	48,772	49,257	49,747	50,242	50,742
<b>Taxation</b>	<b>434,772</b>	<b>450,847</b>	<b>467,543</b>	<b>484,888</b>	<b>502,905</b>
Secondary Suite Infrastructure Fee	22,548	23,425	24,337	25,285	26,270
Other Corporate Fees & Charges	2,962	2,730	2,499	2,269	2,039
<b>Corporate Sale of Goods and Services</b>	<b>25,510</b>	<b>26,155</b>	<b>26,836</b>	<b>27,554</b>	<b>28,309</b>
<b>Corporate Investment Income</b>	<b>10,920</b>	<b>10,940</b>	<b>10,960</b>	<b>11,070</b>	<b>11,180</b>
Provincial Casino Revenue Sharing	-	2,121	3,197	4,284	4,305
Carbon Tax Rebates	650	650	650	650	650
Other Corporate Government Transfers	1,678	1,678	1,751	1,751	1,751
<b>Corporate Government Transfers</b>	<b>2,328</b>	<b>4,449</b>	<b>5,598</b>	<b>6,685</b>	<b>6,706</b>
SCDC Dividends	-	-	-	-	-
Corporate Lease Revenue	7,408	10,615	10,677	10,739	10,802
Penalties & Interest	3,640	3,640	3,640	3,640	3,640
<b>Corporate Other Revenues</b>	<b>11,048</b>	<b>14,255</b>	<b>14,317</b>	<b>14,379</b>	<b>14,442</b>
<b>Total Corporate Revenues</b>	<b>484,578</b>	<b>506,646</b>	<b>525,254</b>	<b>544,576</b>	<b>563,542</b>
<b>DEPARTMENTAL REVENUES</b>					
<i>General Government</i>					
City Manager's Department	-	-	-	-	-
Corporate Services	150	150	150	150	150
Finance	1,513	1,551	1,590	1,630	1,671
	<b>1,663</b>	<b>1,701</b>	<b>1,740</b>	<b>1,780</b>	<b>1,821</b>
<i>Public Safety</i>					
Bylaws	9,945	10,233	10,530	10,835	11,150
Fire	2,402	2,471	2,541	2,614	2,689
Police	8,204	8,151	8,099	8,148	8,198
	<b>20,551</b>	<b>20,855</b>	<b>21,170</b>	<b>21,597</b>	<b>22,037</b>
<i>Other</i>					
Engineering Services	8,354	8,596	8,846	9,103	9,366
Parks, Recreation & Culture	34,265	35,200	35,362	36,275	36,465
Planning & Development	24,962	25,686	26,432	27,199	27,988
Surrey Public Library	1,642	1,642	1,642	1,642	1,642
	<b>69,223</b>	<b>71,124</b>	<b>72,282</b>	<b>74,219</b>	<b>75,461</b>
<b>Total Departmental Revenues</b>	<b>91,437</b>	<b>93,680</b>	<b>95,192</b>	<b>97,596</b>	<b>99,319</b>
<b>TOTAL REVENUE</b>	<b>\$ 576,015</b>	<b>\$ 600,326</b>	<b>\$ 620,446</b>	<b>\$ 642,172</b>	<b>\$ 662,861</b>

## 2021 - 2025 FINANCIAL PLAN GENERAL OPERATING - EXPENDITURE AND TRANSFERS SUMMARY

(in thousands)

<b>EXPENDITURE SUMMARY</b>	<b>2021 BUDGET</b>	<b>2022 PLAN</b>	<b>2023 PLAN</b>	<b>2024 PLAN</b>	<b>2025 PLAN</b>
<i>General Government</i>					
Mayor, Council & Grants	\$ 3,605	\$ 3,611	\$ 3,617	\$ 3,623	\$ 3,629
City Manager's Department	1,550	1,553	1,556	1,559	1,562
Corporate Services	33,593	34,568	33,743	33,818	33,893
Finance	14,330	14,483	14,636	14,789	14,942
Investments & Intergov. Relations	1,651	1,653	1,655	1,657	1,659
	<b>54,729</b>	<b>55,868</b>	<b>55,207</b>	<b>55,446</b>	<b>55,685</b>
<i>Public Safety</i>					
Bylaws	8,694	8,824	8,954	9,084	9,214
Fire	66,866	67,719	67,864	68,009	68,154
Police	189,991	195,276	199,473	205,799	210,130
	<b>265,551</b>	<b>271,819</b>	<b>276,291</b>	<b>282,892</b>	<b>287,498</b>
<i>Other</i>					
Engineering Services	9,936	9,716	10,012	10,316	10,629
Parks, Recreation & Culture	108,538	109,602	110,163	116,371	117,050
Planning & Development	32,510	32,560	32,615	32,675	32,740
Surrey Public Library	21,015	21,074	21,133	21,193	21,252
Corporate Operating	1,536	1,536	1,536	1,536	1,536
	<b>173,535</b>	<b>174,488</b>	<b>175,459</b>	<b>182,091</b>	<b>183,207</b>
<b>Departmental Expenditures</b>	<b>493,815</b>	<b>502,175</b>	<b>506,957</b>	<b>520,429</b>	<b>526,390</b>
<b>Council Initiative Fund</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>260</b>
Fiscal Charges	153	157	162	167	172
Interest Paid on Tax Overpayments	102	103	104	105	106
External Borrowing	6,998	9,221	9,341	8,046	8,046
<b>Fiscal Services &amp; Debt Interest</b>	<b>7,253</b>	<b>9,481</b>	<b>9,607</b>	<b>8,318</b>	<b>8,324</b>
<b>Municipal Debt Principal</b>	<b>4,682</b>	<b>9,151</b>	<b>10,195</b>	<b>10,313</b>	<b>10,313</b>
<b>TOTAL EXPENDITURE</b>	<b>\$ 506,010</b>	<b>\$ 521,067</b>	<b>\$ 527,019</b>	<b>\$ 539,320</b>	<b>\$ 545,287</b>
<b>TRANSFERS SUMMARY</b>					
General Capital Contribution	35,748	28,221	26,601	25,416	21,512
SPS Capital/One-Time Contribution	23,084	5,400	5,000	5,000	-
SCDC Dividends Contribution	-	-	-	-	-
Provincial Casino Revenue Sharing	-	2,121	3,197	4,284	4,305
Tree Replacement Contribution	2,500	2,250	2,000	1,750	1,500
Internal Borrowing	1,049	19,721	23,496	26,542	16,398
SPS Transfers To/(From) Capital	2,275	2,275	3,519	2,893	4,428
Other Transfers To/(From) Capital	10,351	9,466	10,439	10,439	10,439
<b>Transfers To/(From) Capital Sources</b>	<b>75,007</b>	<b>69,454</b>	<b>74,252</b>	<b>76,324</b>	<b>58,582</b>
Roads & Traffic Safety Contribution	12,922	12,922	12,922	12,922	12,922
Carbon Emission Offsets	650	650	650	650	650
Other Transfers To/(From) Operating	(18,574)	(3,767)	5,603	12,956	45,420
<b>Transfers To/(From) Operating Sources</b>	<b>(5,002)</b>	<b>9,805</b>	<b>19,175</b>	<b>26,528</b>	<b>58,992</b>
General To/(From) Unapp Surplus	-	-	-	-	-
<b>Transfers To/(From) Unapp. Surplus</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL TRANSFERS</b>	<b>\$ 70,005</b>	<b>\$ 79,259</b>	<b>\$ 93,427</b>	<b>\$ 102,852</b>	<b>\$ 117,574</b>

## 2021 - 2025 CAPITAL FINANCIAL PLAN EXECUTIVE SUMMARY

(in thousands)

CONTRIBUTION SUMMARY	2021	2022	2023	2024	2025	5 YEAR PROGRAM
<b>Discretionary Contributions</b>						
Community Amenity Contribution Reserve	\$ 2,350	\$ 6,100	\$ 8,850	\$ 10,900	\$ 12,000	\$ 40,200
Contribution from Operating	99,742	76,747	73,360	77,669	68,638	396,157
Other Appropriations - Green City	1,500	1,500	1,500	1,500	1,500	7,500
Other Reserve Funds	15,269	16,968	14,347	14,989	14,680	76,253
	118,862	101,315	98,057	105,058	96,818	520,110
<b>Non-Discretionary Contributions</b>						
DCC Reserve Funds	55,881	100,683	91,244	133,259	87,953	469,020
NCP Reserve Funds	1,100	4,180	200	2,200	200	7,880
Other Statutory Reserve Funds	-	1,500	2,000	2,500	3,000	9,000
	56,981	106,363	93,444	137,959	91,153	485,900
<b>Other Contributions</b>						
External Borrowing	130,000	13,390	7,210	-	-	150,600
External Sources	37,019	53,534	43,303	49,812	29,115	212,783
	167,019	66,924	50,513	49,812	29,115	363,383
<b>Unidentified - Budget Authority</b>	50,000	50,000	50,000	50,000	50,000	250,000
<b>Total Current Year's Contributions</b>	392,862	324,602	292,014	342,829	267,086	1,619,393
<b>Carry Fwd from Previous Years</b>	117,859	97,381	87,604	102,849	80,126	485,818
	\$ 510,721	\$ 421,983	\$ 379,618	\$ 445,677	\$ 347,212	\$ 2,105,211
<b>EXPENDITURE SUMMARY</b>						
<b>Capital Renewal &amp; Maintenance</b>						
Buildings	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 20,000
Equipment	18,027	20,226	17,805	18,647	18,438	93,143
Other Capital Improvements	123,878	184,791	162,178	214,610	148,959	834,416
Parkland Acquisition	13,131	15,136	16,141	17,146	18,152	79,706
Sundry & Contingency	1,892	1,819	1,500	7,276	14,737	27,224
	160,928	225,972	201,624	261,679	204,286	1,054,489
<b>Ranked Projects</b>						
Buildings	132,100	20,350	20,500	18,550	12,200	203,700
Other Capital Improvements	49,834	28,280	19,890	12,600	600	111,203
	181,934	48,630	40,390	31,150	12,800	314,903
<b>Unidentified - Budget Authority</b>	50,000	50,000	50,000	50,000	50,000	250,000
<b>Total Current Year's Expenditures</b>	392,862	324,602	292,014	342,829	267,086	1,619,393
<b>Carry Fwd from Previous Years</b>	117,859	97,381	87,604	102,849	80,126	485,818
	\$ 510,721	\$ 421,983	\$ 379,618	\$ 445,677	\$ 347,212	\$ 2,105,211



Consolidated Financial Statements of

**CITY OF SURREY**

Year ended December 31, 2020

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## Independent Auditor's Report

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To the Mayor and Council of the City of Surrey

### Opinion

We have audited the consolidated financial statements of the City of Surrey and its controlled entities (the "City") which comprise the Consolidated Statement of Financial Position as at December 31, 2020 and the Consolidated Statements Operations, Changes in Net Financial Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the City financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2020 and its results of operations, its changes in net financial assets and its 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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our 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.

### Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### 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.



## Auditor's 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 auditor's 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 these 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 the 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 auditor's 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 auditor's report. However future events or conditions may cause the 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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.

## Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the schedules 2 - 5 of the City of Surrey's consolidated financial statements.

*BDO Canada LLP*

Chartered Professional Accountants

Vancouver, British Columbia  
April 26, 2021

# City of Surrey

## Consolidated Statement of Financial Position

As of December 31, 2020, with comparative figures for 2019  
(in thousands of dollars)

	2020	2019
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents	\$ 907,279	\$ 366,476
Accounts receivable (note 2)	160,653	176,695
Portfolio investments (note 3(a))	378,749	619,578
Other investments (note 3(b))	624	531
	<u>1,447,305</u>	<u>1,163,280</u>
<b>LIABILITIES</b>		
Trade and other accounts payable (note 4)	74,338	82,899
Due to other governments (note 5)	273,779	118,582
Employee future benefits (note 6)	29,738	28,663
Deposits and prepayments (note 7)	294,733	284,480
Deferred revenue (note 8)	114,288	79,630
Deferred development cost charges (note 9)	314,510	308,492
Debt (note 10)	214,230	221,777
	<u>1,315,616</u>	<u>1,124,523</u>
<b>NET FINANCIAL ASSETS</b>	<u>131,689</u>	<u>38,757</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 11)	9,474,308	9,295,668
Inventories of supplies	988	874
Prepaid expenses	5,352	4,552
	<u>9,480,648</u>	<u>9,301,094</u>
<b>ACCUMULATED SURPLUS (note 12)</b>	<u>\$ 9,612,337</u>	<u>\$ 9,339,851</u>

Commitments and contingencies (note 14)



Kam Grewal, CPA, CMA  
General Manager/CFO, Finance

To be read in conjunction with the Notes to the Consolidated Financial Statements

# City of Surrey

## Consolidated Statement of Operations

For the year ended December 31, 2020, with comparative figures for 2019  
(in thousands of dollars)

	2020 Budget (note 23)	2020	2019
<b>REVENUES</b>			
Taxation revenue (note 17)	\$ 457,727	\$ 463,081	\$ 438,805
Sales of goods and services	275,998	254,553	266,705
Development cost charges (note 9)	147,514	55,377	76,830
Developer contributions	119,847	156,812	218,080
Investment income	19,193	19,407	28,643
Transfers from other governments (note 21)	72,950	42,287	35,467
Other (note 18)	73,271	60,112	72,036
<b>TOTAL REVENUES</b>	<b>1,166,500</b>	<b>1,051,629</b>	<b>1,136,566</b>
<b>EXPENSES</b>			
Police services	178,999	167,134	166,653
Parks, recreation and culture	135,047	95,424	122,626
General government	93,463	82,385	119,527
Roads and traffic safety	74,959	73,879	79,006
Water	80,944	79,191	75,329
Fire services	68,017	67,666	68,304
Sewer	75,536	72,826	71,229
Solid waste	36,894	40,084	38,308
Drainage	34,796	34,079	36,030
Planning and development	32,090	30,369	30,401
Library services	22,685	17,206	20,867
Engineering	11,663	13,362	13,073
Surrey City Energy	2,563	3,196	2,695
Parking	2,858	2,342	2,998
<b>TOTAL EXPENSES</b>	<b>850,514</b>	<b>779,143</b>	<b>847,046</b>
<b>ANNUAL SURPLUS</b>	<b>315,986</b>	<b>272,486</b>	<b>289,520</b>
Accumulated surplus, beginning of year	9,339,851	9,339,851	9,050,331
Accumulated surplus, end of year	\$ 9,655,837	\$ 9,612,337	\$ 9,339,851

To be read in conjunction with the Notes to the Consolidated Financial Statements

# City of Surrey

## Consolidated Statement of Changes in Net Financial Assets

As at December 31, 2020, with comparative figures for 2019  
(in thousands of dollars)

	2020 Budget (note 23)	2020	2019
<b>ANNUAL SURPLUS</b>	\$ 315,986	\$ 272,486	\$ 289,520
Acquisition of tangible capital assets	(496,516)	(317,219)	(451,276)
Amortization of tangible capital assets	150,069	136,354	134,016
Loss (gain) on disposal of tangible capital assets	-	686	(4,659)
Proceeds on disposal of tangible capital assets	-	1,539	7,661
	(30,461)	93,846	(24,738)
Acquisition of inventories of supplies	-	(988)	(874)
Consumption of inventories of supplies	-	874	760
Acquisition of prepaid expenses	-	(5,352)	(4,552)
Use of prepaid expenses	-	4,552	4,197
Transfer to properties held-for-sale	-	-	1,190
	-	(914)	721
<b>CHANGE IN NET FINANCIAL ASSETS</b>	(30,461)	92,932	(24,017)
Net financial assets, beginning of year	38,757	38,757	62,774
Net financial assets, end of year	\$ 8,296	\$ 131,689	\$ 38,757

To be read in conjunction with the Notes to the Consolidated Financial Statements

# City of Surrey

## Consolidated Statement of Cash Flows

For the year ended December 31, 2020, with comparative figures for 2019  
(in thousands of dollars)

	2020	2019
<b>OPERATING TRANSACTIONS</b>		
Annual Surplus	\$ 272,486	\$ 289,520
Non-Cash items:		
Amortization of tangible capital assets	136,354	134,016
Loss (gain) on disposal of tangible capital assets	686	(4,659)
Developer contributions of tangible capital assets (note 11(a))	(138,611)	(196,531)
TransLink compensation agreement provision (note 13)	200	38,800
Change in non-cash operating working capital:		
Accounts receivable	16,042	(20,048)
Inventories of supplies	(114)	(114)
Prepaid expenses	(800)	(355)
Trade and other accounts payable	(8,561)	(6,446)
Due to other governments	154,997	16,006
Employee future benefits	1,075	656
Deposits and prepayments	10,253	1,581
Deferred revenue	34,658	1,577
Deferred development cost charges	6,018	30,811
Net increase in cash from operating transactions	484,683	284,814
<b>CAPITAL TRANSACTIONS</b>		
Acquisition of tangible capital assets	(178,608)	(254,745)
Transfer of properties held-for-sale	-	1,190
Proceeds on disposal of tangible capital assets	1,539	7,661
Cash used by capital transactions	(177,069)	(245,894)
<b>FINANCING TRANSACTIONS</b>		
Repayment of MFA debt and loans payable	(7,547)	(7,247)
Cash used by financing transactions	(7,547)	(7,247)
<b>INVESTING TRANSACTIONS</b>		
Proceeds on disposal of portfolio investments	240,829	105,514
(Cash used on) / proceeds from other investments	(93)	297
Cash provided by investing transactions	240,736	105,811
<b>INCREASE IN CASH</b>	540,803	137,484
Cash and cash equivalents, beginning of year	366,476	228,992
Cash and cash equivalents, end of year	\$ 907,279	\$ 366,476

To be read in conjunction with the Notes to the Consolidated Financial Statements

# Notes to the Consolidated Financial Statements

*For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)*

## GENERAL

The City of Surrey (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, infrastructure, environmental, recreational, and utility services.

### 1. Significant accounting policies

#### (a) Basis of accounting

These consolidated financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards as prescribed by the Public Sector Accounting Board (“PSAB”) of the Chartered Professional Accountants of Canada.

#### (b) Basis of consolidation

The consolidated financial statements reflect the assets, liabilities, revenues, and expenditures of the reporting entity. The reporting entity is comprised of all the City funds, including the Surrey Public Library (“Library”) and Surrey Police Service (“SPS”), and other entities controlled by the City. Inter-fund and inter-corporate transactions and balances have been eliminated. The other entities included are as follows:

- Surrey City Development Corporation (“SCDC”)
- Surrey Homelessness and Housing Society (“SHHS”)
- Innovation Boulevard (“IBC”) consolidated based on 50% ownership.

The following funds account for the resources and operations of the City:

- i) Operating Funds - These funds are used to record the general operating costs of the services provided by the City, including drainage, sewer, water, solid waste, parking, transportation, and Surrey City Energy.
- ii) Capital Funds - These funds are used to record the acquisition costs of tangible capital assets and any related debt outstanding, including all lands and infrastructure owned by the City.
- iii) Reserve Funds - Under the Community Charter of British Columbia, City Council may, by by-law, establish reserve funds for specified purposes. Money in a reserve fund and interest earned thereon must be expended only for the purpose for which the fund was established. If the amount in a reserve fund is greater than required for the purposes for which it was established, City Council may transfer all or part of the amount to another reserve fund.



# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 1. Significant accounting policies (continued)

### (b) Basis of consolidation (continued)

#### iv) Surrey City Development Corporation

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of SCDC. SCDC has the following wholly owned subsidiaries and government partnerships, which are accounted for as follows:

- (i) Grove Limited Partnership and Grove (G.P.) Inc. - (50% owned and proportionately consolidated)

- (ii) Surrey City Investment (Industrial) Corporation ("SCIIC") - (100% owned and fully consolidated)

SCIIC has a 50% ownership in the Beedie SCDC (34A Ave) Limited Partnership ("Beedie LP"). Beedie LP meets the criteria of a government business partnership and is accounted for using the modified equity method.

SCIIC has a 50% ownership in the Beedie SCDC (34A Ave) G.P. Ltd., the General Partner of Beedie LP. Beedie GP is a corporation and is accounted for using the modified equity method.

- (iii) Surrey City Investment Corporation ("SCIC") – (100% owned and fully consolidated)

SCIC was inactive as at December 31, 2020 and December 31, 2019.

- (iv) Kwantlen Park Development Corporation ("KPDC") - (100% owned and fully consolidated).

KPDC was inactive as at December 31, 2020 and December 31, 2019.

#### v) Surrey Homelessness and Housing Society

In 2007, the City of Surrey incorporated the SHHS. The purposes of the Society are to raise funds for financing programs and projects that address homelessness in Surrey. The City is considered to have control over the Society's functions by virtue of the ability to appoint the society's board members; therefore, the Society's financial information is fully consolidated within the City's financial statements.

The consolidated financial statements include the assets, liabilities, revenues, and expenses of SHHS. The City provided initial funding to the SHHS and oversees its operations through the council appointed board.

# Notes to the Consolidated Financial Statements

*For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)*

## 1. Significant accounting policies (continued)

### (b) Basis of consolidation (continued)

#### vi) Innovation Boulevard Corporation

The City of Surrey and Simon Fraser University ("SFU") incorporated the Innovation Boulevard Corporation ("IBC"), a government partnership. SFU and the City are the only shareholders of IBC with each having a 50% interest and is proportionately consolidated.

On January 30, 2020, IBC along with its subsidiary, Innovation Boulevard Society, ceased operations. The dissolution of these entities is expected during 2021 with no material financial impact to the City.

### (c) Cash and cash equivalents

Cash and cash equivalents include cash and short-term investments with maturities of three months or less at the date of acquisition, are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

### (d) 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 City's consolidated financial statements. Trust funds administered by the City are presented in Note 19.

### (e) Revenue recognition

Revenues are recognized in the period in which the transaction or event occurs that give rise to the revenues or when the services are delivered. All revenues are recorded on an accrual basis, except when the amounts cannot be determined with a reasonable degree of certainty or when their estimation is impractical.

Revenue recognition on sales of properties occurs when the City has transferred the significant risks and rewards of ownership. Property lease revenue includes all amounts earned from tenants, including property tax and operating cost recoveries. Lease revenues are recognized on a straight-line basis over the term of the lease.

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 1. Significant accounting policies (continued)

### (f) Taxation revenue

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. Annual property tax levies, including parcel taxes and grants-in-lieu of taxes, are recorded as taxes for municipal services in the year they are levied. Taxes receivable are recognized net of an allowance for anticipated future appeal adjustments.

Through the British Columbia Assessments' appeal process, current year property assessments may be adjusted by way of supplementary roll adjustments. The effects of these adjustments on taxes are recognized either at the time they are awarded during the year or accrued as can be reasonably estimated at the end of the year.

### (g) Transfers from other governments

Restricted transfers from other governments are deferred and recognized as revenue in the period the stipulations in the related agreement are met.

Unrestricted transfers are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

### (h) Collection on behalf of other authorities

The City is required to act as the agent for the collection of certain taxes and fees imposed by other authorities. Collections for other authorities are excluded from the City's taxation revenues.

### (i) Development cost charges

Development cost charges are recorded as deferred revenue at the time they are received as there is a future obligation to be fulfilled. When qualifying expenditures are incurred, they are recognized into revenue.

### (j) Developer contributions

Tangible capital assets are contributed by developers as a condition of the development approval process. The timing of delivery of tangible capital assets is dependent upon the developer. Tangible capital assets received as contributions are recorded at their estimated fair value at the date of receipt and as developer contributions revenue.

# Notes to the Consolidated Financial Statements

*For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)*

## 1. Significant accounting policies (continued)

### (k) Investment income

Investment income is reported as revenue in the period earned.

### (l) Deferred revenue

The City defers the portion of the revenue collected from permits, licenses and other fees relating to services not yet rendered. This revenue is recognized in the year in which related inspections are performed or other related services are provided.

### (m) Expenses

Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay. Interest expense is recorded as it is incurred.

### (n) Portfolio Investments

City investments with an original maturity date of more than three months are reported as portfolio investments and consist of short-term investments, bonds and debentures, which are recorded at amortized cost. Discounts and premiums arising on the purchase of these investments are amortized over the term of the investments on an effective interest method.

### (o) 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 over one or more future periods 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 related to the acquisition, design, construction, development, improvement, or betterment of the assets. Cost includes overhead charges related to construction and development that are directly attributable to the acquisition or construction of the asset. The City does not capitalize interest associated with the acquisition or construction of a tangible capital asset.

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 1. Significant accounting policies (continued)

### (o) Non-financial assets (continued)

#### (i) Tangible capital assets (continued)

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:

Asset	Useful life – Years
Land improvements	12 to 100
Buildings and building improvements	10 to 60
Leasehold improvements	2 to 25
Infrastructure:	
Roads and road structures	5 to 100
Water, Sewer and Drainage systems	10 to 100
Machinery and equipment:	
Vehicles	5 to 30
Technology	4 to 25
Furniture & equipment	3 to 50

Annual amortization commences on the date the asset is acquired or available for use. Assets under construction are not amortized until the asset is put into service and available for productive use.

Tangible capital assets received as contributions are recorded at their estimated fair value at the date of receipt and are recorded as revenue.

Works of art and historic assets are not recorded as assets in the consolidated financial statements.

Where an estimate of fair value is not determinable, the tangible capital asset is recognized at a nominal value.

#### (ii) Inventories of supplies

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost.

#### (iii) Prepaid expenses

Prepaid expenses of supplies or services held for consumption are recorded at the lower of cost and replacement cost.

# Notes to the Consolidated Financial Statements

*For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)*

## 1. Significant accounting policies (continued)

### (p) Employee future benefits

The City and its employees participate in the Municipal Pension Plan. The Municipal Pension Plan is a multi-employer contributory defined benefit pension plan. Payments in the year are expensed.

Sick leave and post-employment benefits also accrue to the City's employees. The liability relating to these benefits is actuarially determined based on length of service, best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefit plans are accrued based on projected benefits pro-rated as employees render services necessary to earn the future benefits.

Actuarial gains or losses are amortized over the expected average remaining service life of the related employee group.

The liability for event driven benefits, such as disability benefits, is calculated when the event occurs. The expense is recognized in the year the event occurs.

### (q) Budget data

The budget data presented in these consolidated financial statements was included in the City of Surrey 2020-2024 Consolidated Financial Plan and was adopted through By-law #19959 on December 16, 2019.

### (r) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating contributed tangible capital assets, developer contributions, useful lives for amortization, provisions for accrued liabilities, contingencies, and actuarial valuations of employee future benefits. Actual results could differ from these estimates.

### (s) 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. The City of Surrey has provided definitions of segments used by the City as well as presented financial information in segmented format (Note 20).

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 1. Significant accounting policies (continued)

### (t) Liabilities for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all of the following criteria are met:

- An environmental standard exists;
- Contamination exceeds an environmental standard;
- The City is directly responsible or accepts responsibility;
- The City expects that future economic benefits will be given up; and,
- A reasonable estimate of the amount can be made.

The liability is measured as management's estimate of the cost of remediation and post remediation, including operations, maintenance, and monitoring, which are an integral part of the remediation strategy for a contaminated site. The liability is recorded net of any expected recoveries. No liability for contaminated sites exists as at December 31, 2019 or 2020.

## 2. Accounts receivable

	<u>2020</u>	<u>2019</u>
General and other accounts receivable	\$ 40,166	\$ 39,282
Development cost charges	63,864	78,772
Property taxes	23,033	23,590
Utility rate charges	19,084	18,025
Local improvement receivable	9,539	10,034
Due from other authorities	2,152	4,327
MFA debt reserve fund receivable	2,684	2,630
Tax sale properties	131	35
	<u>\$ 160,653</u>	<u>\$ 176,695</u>

## 3. Investments

### (a) Portfolio Investments

	<u>2020</u>	<u>2019</u>
Maturing within one year	\$ 199,985	\$ 398,583
Maturing within two years	114,193	59,492
Maturing within ten years	60,015	154,610
City investments (i)	<u>374,193</u>	<u>612,685</u>
SCDC investments (ii)	955	955
SHHS investments (iii)	3,601	5,938
	<u>\$ 378,749</u>	<u>\$ 619,578</u>

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 3. Investments (continued)

### (a) Portfolio Investments (continued)

- (i) City investments had an average portfolio yield of 2.30% (2019 – 2.66%). All City investments can be liquidated on demand but may have associated penalties on liquidation.
- (ii) SCDC investments includes term deposits that had an average portfolio yield of 1.90% (2019 – 2.35%) along with GICs with a maturity date of September 17, 2021 and a yield of 0.10% (2019 – 1.90%).
- (iii) SHHS investments includes a diversified portfolio of fixed income and equity securities held by SHHS with an average yield rate of 16.69% (2019 – 14.96%), for the purpose of supporting programs and projects related the objectives of the SHHS.

### (b) Other Investments

	<u>2020</u>	<u>2019</u>
Government business partnership	<u>624</u>	<u>531</u>
	<u>\$ 624</u>	<u>\$ 531</u>

SCDC's joint-venture partnership in Beedie Limited Partnership ("Beedie LP") meets the criteria of a government business partnership and therefore is accounted for under the modified equity method. Beedie LP owns and operates a build-to-suit industrial building in the City that has been occupied by a tenant under a long-term lease. The liability of SCDC is limited to the cash held in the partnership and land which it contributed to Beedie LP. SCDC's proportionate share in respect of this entity is as follows:

	<u>2020</u>	<u>2019</u>
Financial assets	\$ 507	\$ 399
Liabilities	(8,660)	(8,953)
Non-financial assets	<u>8,777</u>	<u>9,085</u>
	<u>\$ 624</u>	<u>\$ 531</u>

Revenues and expenditures for the year ended were \$1.05 million (2019 – \$1.08 million) and \$0.75 million (2019 – \$0.78 million), respectively.

## 4. Trade and other accounts payable

	<u>2020</u>	<u>2019</u>
Trade accounts payable	\$ 50,946	\$ 51,612
Payroll accounts payable	12,174	17,596
Contractors' holdbacks	9,209	11,682
Interest payable on debt	<u>2,009</u>	<u>2,009</u>
	<u>\$ 74,338</u>	<u>\$ 82,899</u>



# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 5. Due to other governments

	<u>2020</u>	<u>2019</u>
Due to Federal Government (RCMP)	\$ 58,551	\$ 51,526
Due to TransLink (note 13)	39,000	38,800
Due to Regional Districts	24,973	19,876
Due to Province of British Columbia	145,669	5,576
Due to other government entities	5,586	2,804
	<u>\$ 273,779</u>	<u>\$ 118,582</u>

To support local governments during the COVID-19 pandemic, the Province of British Columbia provided for the delay in Provincial school tax remittances to the end of year with payment of outstanding remittances due by January 15<sup>th</sup>, 2021. As a result, the above Due to Province of British Columbia includes \$144.75 million (2019 - \$3.44 million) of Provincial school tax payable.

## 6. Employee future benefits

The City provides certain post-employment and sick leave benefits to its employees. These benefits include accumulated non-vested sick leave, post-employment service pay and post-retirement top-ups for dental, life insurance and accidental death, dismemberment insurance, vacation deferral, supplementary vacation, and benefit continuation for disabled employees. The liability associated with these benefits is calculated based on the present value of expected future payments pro-rated for services.

### Accrued benefit liability:

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 28,663	\$ 28,007
Current service cost	1,923	1,834
Interest cost	777	814
Amortization of net actuarial gain	(169)	(494)
Benefits paid	(1,456)	(1,498)
Accrued benefit liability, end of year	<u>\$ 29,738</u>	<u>\$ 28,663</u>

An actuarial valuation for these benefits was performed to determine the City's accrued benefit obligation as at December 31, 2020. The difference between the actuarially determined accrued benefit obligation of \$29.719 million and the accrued benefit liability of \$29.738 million as at December 31, 2020 is an unamortized actuarial gain as noted below. The actuarial gain is amortized over a period equal to the employees' average remaining service life of 12 years (2019 – 12 years).

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

(tabular amounts in thousands of dollars)

## 6. Employee future benefits (continued)

### Reconciliation of accrued benefit liability to accrued benefit obligation:

	<u>2020</u>	<u>2019</u>
Actuarial benefit liability, end of year	\$ 29,738	\$ 28,663
Unamortized actuarial gain	<u>(19)</u>	<u>(358)</u>
<b>Accrued benefit obligation, end of year</b>	<b><u>\$ 29,719</u></b>	<b><u>\$ 28,305</u></b>

Actuarial assumptions used to determine the City's accrued benefit obligation are as follows:

	<u>2020</u>	<u>2019</u>
Discount rate	2.15%	2.70%
Expected future inflation rate	1.80%	1.80%
Employee average remaining service life (years)	12.00	12.00

## 7. Deposits and prepayments

	<u>2020</u>	<u>2019</u>
Deposits:		
Future works	\$ 57,779	\$ 56,383
Planning and development	87,208	80,506
Engineering	89,877	89,594
Pavement cuts	4,124	4,266
Boulevard trees	1,359	1,761
Latecomer	2,778	984
Other deposits	<u>3,829</u>	<u>4,753</u>
Total deposits	<b><u>\$ 246,954</u></b>	<b><u>\$ 238,247</u></b>
Prepayments:		
Taxes	\$ 43,026	\$ 42,400
Utilities	3,974	3,206
Other prepayments	<u>779</u>	<u>627</u>
Total prepayments	<b><u>47,779</u></b>	<b><u>46,333</u></b>
Total deposits and prepayments	<b><u>\$ 294,733</u></b>	<b><u>\$ 284,480</u></b>

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 8. Deferred revenue

	<u>2020</u>	<u>2019</u>
Development/building permits	\$ 31,387	\$ 31,021
Deferred capital works	45,745	33,763
Deferred lease revenue	28,031	6,013
Other	9,125	8,833
	<u>\$ 114,288</u>	<u>\$ 79,630</u>

## 9. Deferred development cost charges

Development Cost Charges (DCCs) are collected to pay for costs that will be incurred by the City to support growth, such as development projects related to infrastructure, parks, or amenities. DCCs covers 99% (2019 – 90% to 99%) of those costs based on rates as recommended by the engineering department. In accordance with the Local Government Act, these funds must be held in a separate reserve fund and accumulates interest until spent. DCCs are deferred and recognized as revenue when the related costs are incurred.

	<u>2020</u>	<u>2019</u>
Deferred DCCs:		
Arterial roads	\$ 76,997	\$ 78,530
Parkland	59,519	58,793
Drainage/storm water detention	47,103	45,937
Sanitary sewer	31,497	30,085
Collector roads	15,904	19,562
Water	19,797	18,739
Area specific	61,574	54,375
Park development	2,119	2,471
	<u>\$ 314,510</u>	<u>\$ 308,492</u>
Deferred DCCs, beginning of year	<u>\$ 308,492</u>	<u>\$ 277,681</u>
DCCs levied for the year	58,772	105,804
Investment income	2,623	1,837
Increase in Deferred DCCs	<u>61,395</u>	<u>107,641</u>
Revenue recognized:		
General Capital	(46,459)	(62,824)
Water Capital	(2,595)	(4,326)
Sewer & Drainage Capital	(6,323)	(9,680)
DCCs recognized as revenue	<u>(55,377)</u>	<u>(76,830)</u>
Deferred DCCs, end of year	<u>\$ 314,510</u>	<u>\$ 308,492</u>

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 10. Debt

	<u>2020</u>	<u>2019</u>
MFA debt (i)	\$ 167,485	\$ 173,712
Loans payable (ii)	<u>46,745</u>	<u>48,065</u>
	<u>\$ 214,230</u>	<u>\$ 221,777</u>

### (i) MFA debt

Pursuant to security issuing by-laws under authority of the Community Charter, the City obtains debt instruments through the Municipal Finance Authority of British Columbia (MFA) to finance certain capital expenditures.

Gross amount of the debt less sinking fund installments and actuarial adjustments to date are as follows:

MFA Issue	Gross debt	Sinking fund installments and actuarial adjustments	Net debt 2020	Net debt 2019
116	\$ 100,000	\$ 25,411	\$ 74,589	\$ 77,875
121	45,000	9,956	35,044	36,465
126	67,335	9,483	57,852	59,372
	\$ 212,335	\$ 44,850	\$ 167,485	\$ 173,712

Current borrowing includes:

MFA Issue	Issue Date	Term (yrs.)	Maturity	Interest Rate	* Refinancing Date
116	April 4, 2011	25	April 4, 2036	4.20%	April 4, 2021
121	October 4, 2012	25	October 4, 2037	2.90%	October 4, 2022
126	Sept. 26, 2013	30	Sep. 26, 2043	3.85%	Sept. 26, 2023

\*On the Refinancing Date, the City has the option to retire the debt early or refinance the borrowing at a new interest rate.

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 10. Debt (continued)

### (ii) Loans payable

	2020	2019
Loan payable (Cedar Hills mall), Citizen's Bank of Canada, 10-year term maturing November 1, 2022, payable in monthly payments of \$78,497, including interest calculated at a rate of 3.95% per annum, secured by a mortgage on the commercial property.	\$ 11,636	\$ 12,112
Biofuel Processing Facility, 25-year capital financing expiring December 31, 2042, payable in monthly payments of \$221,516 including interest calculated at a rate of 5.10% payable.	35,109	35,953
Total Loans Payable	\$ 46,745	\$ 48,065

MFA payments and loan payments over the next five years and thereafter are as follows:

	MFA payments (i)	Loan payments (ii)	Total
2021	\$ 6,476	\$ 1,383	\$ 7,859
2022	6,735	1,406	8,141
2023	7,005	1,454	8,459
2024	7,285	1,506	8,791
2025	7,576	1,560	9,136
2026 and thereafter	132,408	39,436	171,844
Total	\$ 167,485	\$ 46,745	\$ 214,230

Total interest expense recorded for the year ended December 31, 2020 was \$10.4 million (2019 - \$10.4 million).

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 11. Tangible capital assets

Net Book Value by category	<u>2020</u>	<u>2019</u>
Land and land improvements	\$ 2,010,254	\$ 1,942,379
Land under road	3,311,025	3,228,036
Buildings and building improvements	496,288	478,748
Infrastructure	3,251,299	3,167,425
Machinery and equipment	138,949	149,667
Assets under construction	266,493	329,413
	<u>\$ 9,474,308</u>	<u>\$ 9,295,668</u>
Net Book Value by fund	<u>2020</u>	<u>2019</u>
General capital	\$ 2,677,023	\$ 2,627,885
Transportation capital	4,348,204	4,245,266
Water capital	657,958	647,071
Sewer capital	606,353	601,188
Drainage capital	1,106,662	1,104,033
Library capital	4,915	5,434
Surrey City Development Corp.	73,193	64,788
Other Entities	-	3
	<u>\$ 9,474,308</u>	<u>\$ 9,295,668</u>

For additional detailed information, see the Schedule of Tangible Capital Assets (Schedule 1).

### a) Contributed tangible capital assets

Contributed tangible capital assets have been recognized at fair value at the date of contribution. The value of contributed assets received during the year was \$138.6 million (2019 - \$196.5 million) comprised of roads infrastructure in the amount of \$101.2 million (2019 - \$160.9 million), water and wastewater infrastructure in the amount of \$26.6 million (2019 - \$18.0 million) and land in the amount of \$10.8 million (2019 - \$17.6 million), including improvements.

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 12. Accumulated surplus

Accumulated surplus consists of individual fund surpluses, reserves and equity in tangible capital assets. The City's accumulated surplus is as follows:

	<u>2020</u>			<u>2019</u>		
Accumulated Surplus per Statement of Financial Position	<b><u>\$9,612,337</u></b>			<b><u>\$ 9,339,851</u></b>		
Tangible Capital Assets	<b><u>9,474,308</u></b>			9,295,668		
Debt funded assets	<b><u>(199,561)</u></b>			<b><u>(207,326)</u></b>		
Invested in tangible capital assets	<b><u>9,274,747</u></b>			<b><u>9,088,342</u></b>		
	<u>Gross Allocations</u>			<u>Gross Allocations</u>		
<b>Reserves set aside by Council</b>						
Capital legacy	48,981	(48,981)	-	47,847	(47,847)	-
Municipal land	63,463	(40,431)	<b>23,032</b>	53,947	(42,078)	11,869
Equipment and building replacement	29,067	(18,272)	<b>10,795</b>	25,714	(13,972)	11,742
Neighborhood concept plans	31,227	(19,630)	<b>11,597</b>	28,003	(15,216)	12,787
Park land acquisition	4,651	(2,924)	<b>1,727</b>	17,408	(9,459)	7,949
Local improvement financing	17,803	(11,192)	<b>6,611</b>	17,417	(9,464)	7,953
Environmental stewardship	6,855	(4,309)	<b>2,546</b>	6,809	(3,700)	3,109
Parking space	3,089	(1,942)	<b>1,147</b>	2,651	(1,440)	1,211
Water claims	1,378	(866)	<b>512</b>	1,362	(740)	622
Affordable housing	1,058	(665)	<b>393</b>	591	(321)	270
Capital projects	1,108	(697)	<b>411</b>	-	-	-
	<u>208,680</u>		<b><u>58,771</u></b>	<u>201,749</u>		<u>57,512</u>
<b>Internal borrowing to fund capital</b>		<u>(149,909)</u>			<u>(144,237)</u>	
<b>Other appropriated funds</b>						
Infrastructure replacement	(9,687)	9,687	-	(20,546)	20,546	-
Revenue stabilization	13,490	(449)	<b>13,041</b>	13,490	(1,374)	12,116
Self insurance	12,825	(427)	<b>12,398</b>	13,253	(1,350)	11,903
Operating contingency and emergencies	8,607	(286)	<b>8,321</b>	8,276	(843)	7,433
Environmental emergencies	7,082	(236)	<b>6,846</b>	7,082	(721)	6,361
Prepaid expenses	5,352	-	<b>5,352</b>	4,577	-	4,577
Inventories of supplies	988	-	<b>988</b>	874	-	874
Committed funds	<u>249,151</u>	<u>(8,289)</u>	<b><u>240,862</u></b>	<u>159,584</u>	<u>(16,258)</u>	<u>143,326</u>
	<u>287,808</u>	<u>-</u>	<b><u>287,808</u></b>	<u>186,590</u>	<u>-</u>	<u>186,590</u>
<b>Other Entities</b>						
Surrey City Development Corporation			<b>(19,213)</b>			<b>(4,841)</b>
Surrey Homelessness and Housing Society			<b>3,710</b>			<b>5,748</b>
Innovation Boulevard			<b>5</b>			<b>(9)</b>
			<b><u>(15,498)</u></b>			<b><u>898</u></b>
<b>Total Appropriated Funds</b>			<b><u>9,605,828</u></b>			<b><u>9,333,342</u></b>
<b>Unappropriated Surplus</b>			<b><u>\$ 6,509</u></b>			<b><u>\$ 6,509</u></b>

# Notes to the Consolidated Financial Statements

*For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)*

## 13. Due to TransLink

In 2018, the Mayors' Council on Regional Transportation ("Mayors' Council") directed TransLink to proceed immediately with planning and project development for a Surrey Langley SkyTrain ("SLS") project. Further to this, the Mayors' Council passed a resolution in June 2019 endorsing an estimated \$39.0 million of unnecessarily expended costs on the cancelled Surrey Newton Guildford LRT project be compensated by the City of Surrey.

On May 28, 2020, the Mayors' Council approved a compensation agreement with the City of Surrey to compensate TransLink for the \$39.0 million. This agreement describes the compensation to be valued as follows: property contributions valuing \$16.9 million; parking contributions valuing \$12.8 million; and a financial contribution of \$9.3 million. These contributions are anticipated to occur over the duration of the SLS project, which is expected to commence in 2021/2022.

As at December 31, 2020 the City of Surrey has recorded a liability due to TransLink in the amount of \$39.0 million (2019 – \$38.8 million) relating to this resolution.

The June 2019 resolution also included a recommendation that a further compensation of \$5.4 million by the City of Surrey be required if there is no decision to implement rapid transit along King George Blvd by December 31, 2021. As at December 31, 2020 discussions have not taken place relating to this recommendation, therefore this further payment has not been accrued.

## 14. Commitments and contingencies

- a) The City has significant future contractual commitments for incomplete capital acquisitions and capital construction projects in progress. The City records the capital costs incurred to the end of the year on these projects as work in progress under tangible capital assets. To provide for the completion of the projects, unexpended budget money for incomplete projects is appropriated as Committed Funds (see Note 12). The Financial Plan, updated annually, provides for the financing of these and future obligations within the estimated financial resources of the City.
- b) The City as a member of Metro Vancouver is directly, jointly and severally liable with the other member municipalities for the net capital liabilities of those authorities. Any liability which may arise as a result will be accounted for in the period in which the required payment is made, no liability was recorded during 2019 or 2020.



# Notes to the Consolidated Financial Statements

*For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)*

## 14. Commitments and contingencies (continued)

- c) The City is a shareholder and member of E-Comm Emergency Communications for British Columbia Incorporated (E-Comm), whose services include regional 9-1-1 call centre for the Greater Vancouver Regional District, Area Wide Radio emergency communications network, dispatch operations, and records management. The City holds 2 Class "A" shares and 1 Class "B" share (of a total of 35 Class "A" and 20 Class "B" shares issued and outstanding as at December 31, 2020). As a Class "A" shareholder, the City is committed to paying levies for services received under a cost sharing formula to fund operating and capital costs of the E-Comm operations. In addition, the City is contingently liable to cover its proportionate share of such costs should any member be unable to fulfill its funding obligations. Annual levy amounts fluctuate based on various factors under the cost sharing formula and amounted to \$1.5 million during the year (2019 - \$1.3 million).
- d) The City is, from time to time, engaged in or party to certain legal actions, assessment appeals and other existing conditions involving uncertainty which may result in material losses. The outcome and amounts that may be payable, if any, under some of these claims, cannot be determined and accordingly only those claims in which a payment is considered likely and the amounts can be reasonably estimated have been recorded in the financial statements as a liability.
- e) The City insures itself through a combination of insurance policies and self-insurance. The City has a funded self-insurance appropriation included in accumulated surplus (Note 12). Based on estimates, this appropriation reasonably provides for all outstanding claims where the outcome is not currently determinable.
- f) Debt Reserve Fund Demand Note

The City has a contingent liability with respect to the Municipal Finance Authority of BC's ("MFA") Debt Reserve Fund Demand Notes. This contingent liability is a condition of the borrowings undertaken by the City.

As a condition for each debenture issue, the City is required to execute demand notes in connection with each debenture whereby the City may be required to loan certain amounts to the MFA. The debt agreement with the MFA provides that if at any time the scheduled payments provided for in the agreement are not sufficient to meet the MFA's obligations in respect to such borrowing, the resulting deficiency becomes the joint and severed liability of the City and all other participants to the agreement through the MFA. The City is similarly liable on a contingent basis for the debt of other municipalities secured through the MFA.

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 14. Commitments and contingencies (continued)

### f) Debt Reserve Fund Demand Note (continued)

Demand note amounts are as follows:

Issue	LA	SI	Rgn SI	Purpose	Term	DRF Demand Note
116	17173	R10-2022	1139	Other	25	\$ 319
116	17180	R10-2357	1141	Other	25	637
116	17231	R11-124	1142	Other	25	1,035
121	17231	R11-124	1142	Other	25	743
126	17928	R13-1059	1188	Other	30	943
126	17929	R13-1061	1188	Other	30	280
<b>Total</b>						<b>\$ 3,957</b>

Management does not consider payment under this contingency to be likely and therefore no amounts have been accrued.

### g) Policing services

The City entered a contract with the Provincial Government that provides for the Royal Canadian Mounted Police ("RCMP") to deliver policing services for the City through to March 31, 2032.

In 2018, Council unanimously approved a motion to direct staff to commence work on terminating its contract with the RCMP and create a Surrey Police Service. As a result of this work, on February 27, 2020 the Provincial Government granted approval to the City to create a municipal police board. The Surrey Police Board was subsequently formed and in November 2020 they hired a Police Chief to lead the transition to a Surrey Police Service. In accordance with the Provincial contract for the RCMP, necessary notice was provided and therefore the City is not expected to incur additional costs for the early termination of the RCMP services.

### h) Biofuel processing facility

The City entered a 25-year agreement in 2015 to design, build, finance, operate and maintain the Surrey Organics Biofuel Processing facility. Under the agreement, the City guaranteed to provide a minimum tonnage of City organic waste (as defined in the agreement) for processing. In return the City will receive 100% of the biomethane produced at the facility and will share in certain other revenues generated at the facility.

In 2018, the City recorded the facility as a tangible capital asset in the amount of its cost of construction of \$50.0 million. The City also recorded a loan payable liability for an equal amount representing the capital financing for the facility. The liability will be amortized over the term of the agreement as payments are made to the operator for the City organic waste processed by the facility.

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 15. Contractual rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The following table summarizes the contractual rights that existed at December 31, 2020 of the City for future assets:

	2021	2022	2023	2024	Thereafter
Lease revenue (a)	\$ 6,916	\$ 6,224	\$ 5,557	\$ 4,821	\$ 33,604
Government agreements (b)	3,575	3,649	3,522	2,970	739
<b>Total</b>	<b>\$ 10,491</b>	<b>\$ 9,873</b>	<b>\$ 9,079</b>	<b>\$ 7,791</b>	<b>\$ 34,343</b>

### a) Lease revenue

The City has entered into a number of fixed term lease agreements for the use of City owned land and/or buildings that are anticipated to provide the City with future revenues. These agreements are for terms that vary from 1 to 19 years.

### b) Government agreements

The City has entered into various government agreements with senior government and other agencies related to contractual rights expected to be realized as stipulations are met.

### c) Developer contributions

The City has entered into a number of public works development agreements which require the developers to contribute various infrastructure assets to the City, including roads and underground utilities. The timing and extent of these future contributions vary depending on development activity and fair value of the assets received at time of contribution, which cannot be determined with certainty at this time.

### d) Other contractual rights

The City is entitled to receive revenue from certain other agreements. The revenue from these agreements cannot be quantified and has not been included in the amounts noted above.

# Notes to the Consolidated Financial Statements

*For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)*

## 16. Pension plan

The City 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 are based on a formula. As at December 31, 2019, the Plan has about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 contributors from local government.

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 Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2021, with results available in 2022.

The City paid \$21.4 million (2019 - \$20.6 million) for employer contributions while employees contributed \$17.9 million (2019 - \$17.2 million) to the Plan in 2020.

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.

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 17. Taxation revenue

	<u>2020</u>	<u>2019</u>
Tax collected:		
Property taxes	\$ 384,807	\$ 363,342
Collections for other authorities	318,704	357,855
Parcel taxes	57,815	56,426
Grants-in-lieu of taxes	19,500	18,539
Other	959	498
	<u>781,785</u>	796,660
Less transfers to other authorities:		
Province of BC - School Taxes	(220,026)	(262,525)
Greater Vancouver Regional District	(10,012)	(8,083)
BC Assessment Authority	(8,702)	(7,975)
Greater Vancouver Transportation Authority	(56,236)	(50,333)
Other	(23,728)	(28,939)
	<u>(318,704)</u>	(357,855)
Taxation revenue	<u>\$ 463,081</u>	<u>\$ 438,805</u>

## 18. Other revenue

	<u>2020</u>	<u>2019</u>
Licenses and permits	\$ 38,976	\$ 36,898
Leases and rentals	12,474	13,399
Penalties and interest on taxes	5,390	6,402
Miscellaneous	3,780	5,898
Gain (loss) on disposal of tangible capital assets	(686)	4,659
Gain on sales of development properties	178	4,780
	<u>\$ 60,112</u>	<u>\$ 72,036</u>

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 19. 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 City's Consolidated Financial Statements.

Amounts administered by the City as trust funds are as follows:

	<u>2020</u>	<u>2019</u>
Cemetery Perpetual Care Fund	\$ 4,151	\$ 3,961
Employee Benefits Fund	<u>759</u>	<u>742</u>
	<u>\$ 4,910</u>	<u>\$ 4,703</u>

## 20. Segmented information

The City of Surrey is a diversified municipal government institution that provides a wide range of services to the citizens of Surrey, including Police Services; Parks, Recreation and Culture Services; General Government Services; Water Services; Fire Services; Sewer Services; Engineering Services; Drainage Services; Solid Waste Management Services; Roads & Traffic Safety Services; Planning and Development Services; Parking Services; Surrey City Energy Services; and Surrey Public Library Services. For management reporting purposes, the Government's operations and activities are organized and reported by Service Area. Service Areas were created for the purpose of recording specific activities and related objectives in accordance with legislated requirements.

City Departments and the activities for which they are responsible are reported in these Service Areas. The Departments listed in the segmented information, along with the services that each Department provides are listed below:

### *Police Services*

The mandate of the Police Department includes enforcing laws, preventing crime, and maintaining peace, order, and security.

### *Parks, Recreation and Culture Services*

The Parks, Recreation and Culture Department is responsible for planning, facilitating the development of, operating and maintaining high quality parks, recreation and cultural facilities and services.

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 20. Segmented information (continued)

*General Government Services – Mayor & Councillor’s Department, City Manager’s Department, Finance Department, Corporate Services Department, Surrey City Development Corporation, and Surrey Homelessness and Housing Society*

General Government Services includes those elements of the organization with responsibility for adopting by-laws, adopting administrative policy, levying taxes, acquiring, disposing and managing City assets, ensuring effective financial management, monitoring performance and ensuring that high quality City service standards are met.

The Surrey City Development Corporation, which engages in the provision of consulting services, land development activities, property acquisition/disposal and asset management and the Surrey Homelessness and Housing Society, which focuses on addressing homelessness in Surrey through raising funds and the provision of grants to worthy projects also form part of General Government Services.

*Roads and Traffic Safety Services*

The Roads & Traffic Safety Utility provides effective managed transportation systems that serves the mobility needs of individuals and businesses and is safe, secure and supports the economic vitality of the City, and protects and enhances the environment.

*Water Services*

The Water Utility operates the water system and its primary responsibility, in partnership with the Operations Division and Metro Vancouver, is to supply clean, safe drinking water to the residences and businesses of Surrey.

*Fire Services*

The mandate of the Fire Department is to enforce codes and maintain security by protecting life, property and the environment through the provision of emergency response services.

*Sewer Services*

The Sewer Utility operates the network of sewer mains, to collect sewage and convey such sewage to treatment plants. The utility also plans, designs, and constructs sanitary sewer infrastructure; manages inflow and infiltration controls; and undertakes initiatives in support of the region’s Integrated Liquid Waste Resource Management Plan.

*Solid Waste Management Services*

The Solid Waste Utility provides weekly residential curbside organic waste collection with alternating bi-weekly garbage and recycling, and curbside collection services via a fully automated cart-based collection system.

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 20. Segmented information (continued)

### *Drainage Services*

The Drainage Utility operates the network of storm sewers and pump stations for storm water management. Its primary responsibility is to manage the City's storm water runoff in partnership with the Operations Division and Metro Vancouver.

### *Planning and Development Services*

The Planning and Development Department is responsible for preparing land use plans, by-laws and policies for sustainable development of the City and for reviewing and approving new land and building development.

### *Surrey Public Library Services*

The Surrey Public Library provides access to local and global information through its nine Library branches located throughout the City.

### *Engineering Services*

The Engineering Department is responsible for providing timely and effective services relating to water, sewer, drainage, garbage collection, transportation systems, and corporate real estate.

### *Surrey City Energy*

Surrey City Energy Utility operates a network of thermal energy systems. This utility provides these thermal energy systems to new and existing developments throughout the Surrey City Centre area.

### *Parking*

The Parking Authority Utility is a City fund that provides the planning, managing and enforcing of the City's on and off-street parking assets, employing leading edge technologies, such as license plate recognition and pay stations that provide a user friendly interface, improved theft security and efficient enforcement.



# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

For the year ended December 31, 2020  
(in thousands of dollars)

NOTE	Police Services	Parks, Recreation and Culture	General Government	Roads & Traffic Safety	Water	Fire Services	Sewer	Solid Waste Management	Drainage	Planning and Development	Library Services	Engineering	Surrey City Energy	Parking	2020
<b>20 SEGMENTED INFORMATION</b>															
<b>REVENUES</b>															
Taxation, grants-in-lieu, assessments \$	-	\$ -	\$ 709,658	\$ 30,694	\$ (25)	\$ -	\$ 800	\$ -	\$ 40,658	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 781,785
Collections for other authorities	-	-	(318,704)	-	-	-	-	-	-	-	-	-	-	-	(318,704)
Taxation revenue	-	-	390,954	30,694	(25)	-	800	-	40,658	-	-	-	-	-	463,081
Sales of goods and services	1,703	10,389	27,888	3,008	82,178	3,281	65,820	44,550	49	4,580	82	5,821	2,671	2,533	254,553
Development cost charges	-	-	55,377	-	-	-	-	-	-	-	-	-	-	-	55,377
Developer contributions	-	353	25,145	104,272	4,721	-	7,562	-	14,733	-	26	-	-	-	156,812
Investment income	-	44	18,448	-	513	-	276	80	46	-	-	-	-	-	19,407
Transfers from other governments	8,225	12,326	6,558	11,826	-	-	23	-	2,143	-	1,004	-	-	182	42,287
Other	57	2,630	22,061	463	1,062	(78)	258	132	(377)	29,094	155	3,735	26	894	60,112
	9,985	25,742	546,431	150,263	88,449	3,203	74,739	44,762	57,252	33,674	1,267	9,556	2,697	3,609	1,051,629
<b>EXPENSES</b>															
Salaries and benefits	29,366	47,123	42,530	6,445	-	60,526	-	-	-	23,434	11,433	43,049	675	582	265,163
RCMP contracted services	129,999	-	-	-	-	-	-	-	-	-	-	-	-	-	129,999
Consulting and professional services	2,322	3,133	2,418	1,353	471	47	194	335	2,253	1,322	93	479	30	50	14,500
Telephone and communications	456	281	798	55	19	161	24	9	37	93	29	247	8	42	2,259
Regional district utility charges	-	-	-	-	52,642	-	50,034	-	-	-	-	-	-	-	102,676
Utilities	577	3,093	37	3,470	537	363	1,927	121	7	529	269	286	874	4	12,094
Garbage collection and disposal	15	795	9	43	-	25	-	25,685	2	-	5	89	-	-	26,668
Maintenance and small equipment	159	7,630	7,554	188	481	1,571	15	163	42	2,102	141	882	82	84	21,094
Insurance and claims	-	-	4,565	-	-	16	-	394	-	-	-	11	-	-	4,986
Leases and rentals	895	725	252	929	917	-	811	222	907	8	52	2,117	-	10	7,845
Supplies and materials	386	6,170	2,522	2,670	2,058	2,541	1,283	1,179	494	1,503	314	4,534	26	34	25,714
Advertising and media	6	184	183	26	-	2	-	52	1	14	2,122	19	-	-	2,609
Grants and sponsorships	-	389	2,200	-	-	-	-	-	-	1	4	-	-	-	2,594
Contract payments	(7)	4,176	858	6,948	2,743	28	941	2,506	1,522	85	8	1,294	60	319	21,481
Other	1,458	1,824	4,305	122	22	1,640	882	43	202	1,352	495	714	92	1	13,152
Cost recoveries, net	96	253	(7,507)	8,212	9,626	(1,433)	4,120	4,137	7,688	(261)	314	(46,477)	(105)	3	(21,334)
Interest on debt	-	-	7,718	-	-	-	-	2,658	-	-	-	-	-	-	10,376
Other interests and fiscal services	21	119	41	-	(23)	-	(5)	60	-	152	2	8	426	112	913
Amortization expense	1,385	19,529	13,902	43,418	9,698	2,179	12,600	2,520	20,924	35	1,925	6,110	1,028	1,101	136,354
	167,134	95,424	82,385	73,879	79,191	67,666	72,826	40,084	34,079	30,369	17,206	13,362	3,196	2,342	779,143
<b>Excess (deficiency) of revenues over expenses</b>															
	(157,149)	(69,682)	464,046	76,384	9,258	(64,463)	1,913	4,678	23,173	3,305	(15,939)	(3,806)	(499)	1,267	272,486
Transfer from (to) operating funds	-	67	(44,277)	22,453	7,226	-	6,904	(6,385)	(3,676)	1	15,379	(50)	3,980	(1,622)	-
Transfer from (to) reserve funds	-	137	(31,043)	26,497	2,899	(1,317)	2,949	(375)	3,691	(264)	100	(3,374)	100	-	-
Transfer from (to) capital funds	-	(3,978)	52,016	(10,064)	(13,136)	-	(5,677)	-	(14,989)	42	(22)	1	(4,188)	(5)	-
Annual surplus (deficit)	\$(157,149)	\$ (73,456)	\$ 440,742	\$ 115,270	\$ 6,247	\$ (65,780)	\$ 6,089	\$ (2,082)	\$ 8,199	\$ 3,084	\$ (482)	\$ (7,229)	\$ (607)	\$ (360)	\$ 272,486

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

For the year ended December 31, 2019  
(in thousands of dollars)

NOTE	Police Services	Parks, Recreation and Culture	General Government	Roads & Traffic Safety	Water	Fire Services	Sewer	Solid Waste Management	Drainage	Planning and Development	Library Services	Engineering	Surrey City Energy	Parking	2019
<b>20 SEGMENTED INFORMATION</b>															
<b>REVENUES</b>															
Taxation, grants-in-lieu, assessments	\$ -	\$ -	\$ 726,518	\$ 30,336	\$ (48)	\$ -	\$ 817	\$ -	\$ 39,037	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 796,660
Collections for other authorities	-	-	(357,855)	-	-	-	-	-	-	-	-	-	-	-	(357,855)
Taxation revenue	-	-	368,663	30,336	(48)	-	817	-	39,037	-	-	-	-	-	438,805
Sales of goods and services	1,785	30,804	27,634	228	79,692	2,687	62,790	43,069	-	4,769	288	7,136	2,546	3,277	266,705
Development cost charges	-	-	76,830	-	-	-	-	-	-	-	-	-	-	-	76,830
Developer contributions	-	166	35,431	163,241	3,100	-	5,429	-	9,828	-	-	-	885	-	218,080
Investment income	-	29	27,976	-	372	-	203	58	5	-	-	-	-	-	28,643
Transfers from other governments	7,073	1,349	7,854	15,621	(950)	-	205	-	3,329	-	986	-	-	-	35,467
Other	41	2,183	36,234	(172)	357	(233)	475	173	(193)	28,511	534	3,056	25	1,045	72,036
	8,899	34,531	580,622	209,254	82,523	2,454	69,919	43,300	52,006	33,280	1,808	10,192	3,456	4,322	1,136,566
<b>EXPENSES</b>															
Salaries and benefits	28,070	66,436	41,016	6,970	-	60,505	-	-	-	22,928	15,022	43,862	624	762	286,195
RCMP contracted services	133,335	-	-	-	-	-	-	-	-	-	-	-	-	-	133,335
Consulting and professional services	1,131	5,647	3,883	1,718	505	266	550	1,030	2,602	985	111	780	28	74	19,310
Telephone and communications	379	369	925	64	58	157	26	17	21	103	28	260	3	61	2,471
Regional district utility charges	-	-	-	-	48,760	-	47,715	-	-	-	-	-	-	-	96,475
Utilities	617	4,653	42	3,582	715	377	2,074	13	24	557	387	1,259	867	6	15,173
Garbage collection and disposal	18	570	18	280	-	26	3	22,453	-	13	12	402	-	-	23,795
Maintenance and small equipment	63	8,200	6,682	223	359	1,371	129	66	14	2,542	235	1,190	61	128	21,263
Insurance and claims	-	35	3,174	1	-	15	-	161	-	-	-	56	-	-	3,442
Leases and rentals	957	1,051	343	1,773	654	1	892	402	1,446	29	48	2,609	-	77	10,282
Supplies and materials	352	8,739	3,329	3,208	1,287	2,517	1,434	2,283	603	2,081	550	5,641	23	17	32,064
Advertising and media	3	449	152	21	4	13	-	37	1	39	1,345	14	1	-	2,079
Grants and sponsorships	-	748	2,195	-	-	-	-	-	-	3	102	-	-	-	3,048
Contract payments	2	4,330	1,107	8,768	3,123	308	878	1,948	2,953	44	12	2,198	76	628	26,375
Other	1,158	2,213	41,879	1,026	67	1,985	990	79	645	1,264	738	60	13	16	52,133
Cost recoveries, net	(769)	(137)	(7,184)	8,631	10,072	(1,487)	4,445	4,641	7,130	(376)	283	(51,265)	(139)	6	(26,149)
Interest on debt	-	-	7,778	-	-	-	-	2,658	-	-	-	-	-	-	10,436
Other interests and fiscal services	23	384	341	-	(33)	-	-	-	-	154	7	1	297	129	1,303
Amortization expense	1,314	18,939	13,847	42,741	9,758	2,250	12,093	2,520	20,591	35	1,987	6,006	841	1,094	134,016
	166,653	122,626	119,527	79,006	75,329	68,304	71,229	38,308	36,030	30,401	20,867	13,073	2,695	2,998	847,046
<b>Excess (deficiency) of revenues over expenses</b>															
	(157,754)	(88,095)	461,095	130,248	7,194	(65,850)	(1,310)	4,992	15,976	2,879	(19,059)	(2,881)	761	1,324	289,520
Transfer from (to) operating funds	-	-	(61,047)	36,423	2,043	-	11,456	(5,082)	(864)	-	19,080	(72)	(473)	(1,464)	-
Transfer from (to) reserve funds	-	79	(46,377)	33,399	4,926	(1,297)	4,423	(265)	7,466	(176)	100	(3,099)	821	-	-
Transfer from (to) capital funds	-	(4,995)	56,327	(19,921)	(9,592)	-	(8,669)	(309)	(12,245)	447	(14)	47	(995)	(81)	-
Annual surplus (deficit)	\$ (157,754)	\$ (93,011)	\$ 409,998	\$ 180,149	\$ 4,571	\$ (67,147)	\$ 5,900	\$ (664)	\$ 10,333	\$ 3,150	\$ 107	\$ (6,005)	\$ 114	\$ (221)	\$ 289,520

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 21. Transfers from other governments

The Government transfers reported on the Consolidated Statement of Operations are comprised of the following:

	2020	2019
<b>Revenue</b>		
BC Provincial government grants:		
COVID 19 Safe Restart Grant (note 22)	\$ 14,769	\$ -
Traffic fines revenue sharing	7,661	6,621
Casino revenue sharing	708	4,074
Library operating	983	965
Flood Mitigation Funding	892	-
Climate Action Revenue Incentive Program	753	650
Childcare and seniors	598	598
Victim services	200	189
Clean Energy Vehicle Fast Charging Stations	75	-
Roads	28	2,493
BC One Card	20	20
Arts	-	186
Subtotal BC Provincial government grants	26,687	15,796
Federal government grants:		
Water, Drainage and Sewer	1,275	834
SAFE program	593	382
Roads and Parking	172	7
Keep of prisoners	114	124
Childcare and youth	76	40
Arts and heritage grants	21	269
Summer students	11	13
Subtotal Federal government grants	2,262	1,669
TransLink:		
Arterial widening and intersection improvements	263	1,340
Arterial paving	905	4,745
Arterial bridges	3,756	934
Road operating and maintenance	2,727	3,254
Road general rehabilitation	1,225	1,415
Traffic signals, signs, and markings	1,635	1,872
Bicycle street network and other transit projects	1,222	1,312
Subtotal TransLink grants	11,733	14,872
UBCM Community Works Fund:	1,605	3,130
<b>Total transfers from other government revenues</b>	<b>\$ 42,287</b>	<b>\$ 35,467</b>

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2020  
(tabular amounts in thousands of dollars)

## 22. COVID 19 Safe Restart Grant

The BC Provincial Government's COVID-19 Safe Restart grant was provided to local governments to support them as they dealt with the financial impacts of the COVID-19 pandemic.

## 23. Budget data

The budget data presented in these consolidated financial statements was included in the City of Surrey 2020-2024 Consolidated Financial Plan and was adopted through Bylaw #19959 on December 16, 2019. The following table reconciles the approved budget to the budget figures reported in these consolidated financial statements.

	Budget Amount
Approved consolidated budgeted revenues	\$ 1,166,500
Approved consolidated budgeted expenditures	1,352,565
Transfers between funds	(186,065)
	1,166,500
Less:	
Capital expenditures	(496,515)
Municipal debt principal repayments	(5,536)
Add:	
Transfers between funds	186,065
Total Expenses:	850,514
Annual surplus per statement of operations	\$ 315,986

## 24. Comparative figures

Certain comparative information has been reclassified to conform to the financial statement presentation adopted in the current year.

# City of Surrey

## Schedule 1 - Tangible Capital Assets

As at December 31, 2020  
(in thousands of dollars)

	Land and land improvements	Land under road	Buildings and building improvements	Infrastructure	Machinery and equipment	Assets under construction	Balance at December 31, 2020
<b>COST</b>							
Opening Balance	\$ 2,034,546	\$ 3,228,036	\$ 751,195	\$ 4,892,888	\$ 314,326	\$ 329,413	\$ 11,550,404
Additions and transfers	72,802	82,989	39,886	174,047	10,412	(62,917)	317,219
Disposals	(424)	-	-	(15,692)	(7,988)	(3)	(24,107)
Ending Balance	2,106,924	3,311,025	791,081	5,051,243	316,750	266,493	11,843,516
<b>ACCUMULATED AMORTIZATION</b>							
Opening Balance	92,167	-	272,447	1,725,463	164,659	-	2,254,736
Amortization	4,864	-	22,346	88,057	21,087	-	136,354
Accum. amort. on disposals	(361)	-	-	(13,576)	(7,945)	-	(21,882)
Ending Balance	96,670	-	294,793	1,799,944	177,801	-	2,369,208
<b>NET BOOK VALUE</b>	<b>\$ 2,010,254</b>	<b>\$ 3,311,025</b>	<b>\$ 496,288</b>	<b>\$ 3,251,299</b>	<b>\$ 138,949</b>	<b>\$ 266,493</b>	<b>\$ 9,474,308</b>

	Land and land improvements	Land under road	Buildings and building improvements	Infrastructure	Machinery and equipment	Assets under construction	Balance at January 01, 2020
<b>COST</b>							
Opening Balance	\$ 1,966,871	\$ 3,079,917	\$ 685,886	\$ 4,738,323	\$ 284,667	\$ 360,466	\$ 11,116,130
Additions and transfers	69,941	148,119	65,466	159,705	37,908	(29,863)	451,276
Disposals	(2,266)	-	(157)	(5,140)	(8,249)	(1,190)	(17,002)
Ending Balance	2,034,546	3,228,036	751,195	4,892,888	314,326	329,413	11,550,404
<b>ACCUMULATED AMORTIZATION</b>							
Opening Balance	87,948	-	251,434	1,642,606	151,542	-	2,133,530
Amortization	5,084	-	21,168	86,405	21,359	-	134,016
Accum. amort. on disposals	(865)	-	(155)	(3,548)	(8,242)	-	(12,810)
Ending Balance	92,167	-	272,447	1,725,463	164,659	-	2,254,736
<b>NET BOOK VALUE</b>	<b>\$ 1,942,379</b>	<b>\$ 3,228,036</b>	<b>\$ 478,748</b>	<b>\$ 3,167,425</b>	<b>\$ 149,667</b>	<b>\$ 329,413</b>	<b>\$ 9,295,668</b>

# City of Surrey

## Schedule 2 - Unaudited Statement of Financial Position - By Fund

As at December 31, 2020, with comparative figures for 2019  
(in thousands of dollars)

	Operating Funds									Capital Funds		Other Entities			Consolidated		
	General	Surrey City Energy	Parking	Roads and Traffic Safety	Solid Waste	Water	Sewer	Drainage	Library Services	General and Utilities	Library Services	SCDC	Other Entities	Reserve Funds	Adjustments	2020	2019
<b>FINANCIAL ASSETS</b>																	
Cash	\$ 898,062	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,176	\$ 46	\$ -	\$ (5)	\$ 907,279	\$ 366,476
Accounts receivable	123,640	-	-	-	-	-	-	-	-	950	-	1,370	251	64,130	(29,688)	160,653	176,695
Portfolio Investments	396,184	-	-	-	-	-	-	-	-	-	-	955	3,601	-	(21,991)	378,749	619,578
Other Investments	-	-	-	-	-	-	-	-	-	-	-	624	-	-	-	624	531
Due from other funds	-	-	-	6,939	8,271	72,661	46,028	18,646	2,297	13,720	-	-	-	370,336	(538,898)	-	-
	1,417,886	-	-	6,939	8,271	72,661	46,028	18,646	2,297	14,670	-	12,125	3,898	434,466	(590,582)	1,447,305	1,163,280
<b>LIABILITIES</b>																	
Trade and other accounts payable	89,425	-	-	-	-	-	-	-	-	-	-	37,151	178	-	(52,416)	74,338	82,899
Due to other governments	273,770	-	-	-	-	-	-	-	-	-	-	-	-	-	9	273,779	118,582
Employee future benefits	27,541	-	-	-	-	-	-	-	2,197	-	-	-	-	-	-	29,738	28,663
Deposits and prepayments	289,941	-	10	-	-	2,080	1,894	-	-	-	-	129	-	689	(10)	294,733	284,480
Due to other funds	438,692	38,446	6,183	-	-	-	-	-	-	-	-	-	-	60,497	(543,818)	-	-
Deferred revenue	85,790	-	-	-	-	-	-	-	201	-	-	28,344	-	-	(47)	114,288	79,630
Deferred development cost charges	-	-	-	-	-	-	-	-	-	-	-	-	-	314,510	-	314,510	308,492
Debt	-	-	-	-	-	-	-	-	-	202,594	-	11,636	-	-	-	214,230	221,777
	1,205,159	38,446	6,193	-	-	2,080	1,894	-	2,398	202,594	-	77,260	178	375,696	(596,282)	1,315,616	1,124,523
Net Financial Assets (Debt)	212,727	(38,446)	(6,193)	6,939	8,271	70,581	44,134	18,646	(101)	(187,924)	-	(65,135)	3,720	58,770	5,700	131,689	38,757
<b>NON-FINANCIAL ASSETS</b>																	
Tangible capital assets	-	-	-	-	-	-	-	-	-	9,408,014	4,915	106,930	-	-	(45,551)	9,474,308	9,295,668
Inventories of supplies	550	-	-	-	-	384	54	-	-	-	-	-	-	-	-	988	874
Prepaid expenses	5,095	-	-	-	-	-	-	-	224	-	-	30	6	-	(3)	5,352	4,552
	5,645	-	-	-	-	384	54	-	224	9,408,014	4,915	106,960	6	-	(45,554)	9,480,648	9,301,094
Accumulated Surplus (Deficit)	\$ 218,372	\$ (38,446)	\$ (6,193)	\$ 6,939	\$ 8,271	\$ 70,965	\$ 44,188	\$ 18,646	\$ 123	\$ 9,220,090	\$ 4,915	\$ 41,825	\$ 3,726	\$ 58,770	\$ (39,854)	\$ 9,612,337	\$ 9,339,851

# City of Surrey

## Schedule 3 - Unaudited Statement of Operations - By Fund

For the year ended December 31, 2020, with comparative figures for 2019  
(in thousands of dollars)

	Operating Funds									Capital Funds		Other Entities			Consolidated		
	General	Surrey City Energy	Parking	Roads and Traffic Safety	Solid Waste	Water	Sewer	Drainage	Library Services	General and Utilities	Library Services	SCDC	Other Entities	Reserve Funds	Adjustments	2020	2019
REVENUES																	
Taxation revenue	\$ 390,954	\$ -	\$ -	\$ 30,694	\$ -	\$ (25)	\$ 800	\$ 40,658	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 463,081	\$ 438,805
Sales of goods and services	54,481	2,671	2,533	3,007	44,549	82,183	65,819	49	82	-	-	1	18	101	(941)	254,553	266,705
Development cost charges	-	-	-	-	-	-	-	-	-	-	-	-	-	55,377	-	55,377	76,830
Developer contributions	353	-	-	843	-	-	-	79	-	143,304	26	-	-	12,207	-	156,812	218,080
Investment income	15,870	-	-	-	80	513	276	46	-	1,674	-	71	216	1,130	(469)	19,407	28,643
Transfers from other governments	27,109	-	-	5,846	-	-	-	213	1,004	8,115	-	-	-	-	-	42,287	35,467
Other	57,668	26	894	1,423	132	1,216	602	163	155	884	-	3,547	128	9,507	(16,233)	60,112	72,036
	546,435	2,697	3,427	41,813	44,761	83,887	67,497	41,208	1,241	153,977	26	3,619	362	78,322	(17,643)	1,051,629	1,136,566
EXPENSES																	
Police services	165,754	-	-	-	-	-	-	-	-	1,385	-	-	-	-	(5)	167,134	166,653
Parks, recreation and culture	75,900	-	-	-	-	-	-	-	-	19,658	-	-	-	-	(134)	95,424	122,626
General government	70,014	-	-	-	-	-	-	-	-	8,103	-	8,074	2,372	(68)	(6,110)	82,385	119,527
Roads and traffic safety	-	-	-	30,461	-	-	-	-	-	44,377	-	-	-	-	(959)	73,879	79,006
Water	-	-	-	-	-	69,493	-	-	-	9,852	-	-	-	-	(154)	79,191	75,329
Fire services	65,509	-	-	-	-	-	-	-	-	2,238	-	-	-	-	(81)	67,666	68,304
Sewer	-	-	-	-	-	-	60,226	-	-	12,944	-	-	-	-	(344)	72,826	71,229
Solid waste	-	-	-	-	37,564	-	-	-	-	2,520	-	-	-	-	-	40,084	38,308
Drainage	-	-	-	-	-	-	-	13,155	-	21,464	-	-	-	-	(540)	34,079	36,030
Planning and development	30,334	-	-	-	-	-	-	-	-	35	-	-	-	-	-	30,369	30,401
Library services	-	-	-	-	-	-	-	-	15,285	-	1,925	-	-	-	(4)	17,206	20,867
Engineering	8,136	-	-	-	-	5	-	-	-	8,689	-	-	-	-	(3,468)	13,362	13,073
Surrey city energy	-	2,168	-	-	-	-	-	-	-	1,028	-	-	-	-	-	3,196	2,695
Parking	-	-	1,241	-	-	-	-	-	-	1,101	-	-	-	-	-	2,342	2,998
	415,647	2,168	1,241	30,461	37,564	69,498	60,226	13,155	15,285	133,394	1,925	8,074	2,372	(68)	(11,799)	779,143	847,046
Excess (Deficiency) of Revenues over Exp.	130,788	529	2,186	11,352	7,197	14,389	7,271	28,053	(14,044)	20,583	(1,899)	(4,455)	(2,010)	78,390	(5,844)	272,486	289,520
Transfer from (to) operating funds	(1,125)	(207)	(1,654)	11,774	(6,384)	(5,817)	243	(10,906)	14,078	57,025	1,302	-	-	20,838	-	79,167	83,350
Transfer from (to) reserve funds	(20,987)	-	-	(31)	(375)	(172)	69	656	-	97,870	100	-	-	-	-	77,130	136,952
Transfer from (to) capital funds	(10,553)	(4,183)	(32)	(11,626)	-	(13,041)	(6,661)	(12,231)	-	22	(22)	-	-	(97,970)	-	(156,297)	(220,302)
ANNUAL SURPLUS (DEFICIT)	98,123	(3,861)	500	11,469	438	(4,641)	922	5,572	34	175,500	(519)	(4,455)	(2,010)	1,258	(5,844)	272,486	289,520
Accumulated Surplus (Deficit), beginning of year	120,249	(34,585)	(6,693)	(4,530)	7,833	75,606	43,266	13,074	89	9,044,590	5,434	46,280	5,736	57,512	(34,010)	9,339,851	9,050,331
Accumulated Surplus (Deficit), end of year	\$ 218,372	\$ (38,446)	\$ (6,193)	\$ 6,939	\$ 8,271	\$ 70,965	\$ 44,188	\$ 18,646	\$ 123	\$ 9,220,090	\$ 4,915	\$ 41,825	\$ 3,726	\$ 58,770	\$ (39,854)	\$ 9,612,337	\$ 9,339,851

# City of Surrey

## Schedule 4 - Unaudited Reserve Funds

As at December 31, 2020

(in thousands of dollars)

	* Capital Legacy	** Municipal Land	Equipment and Building Replacement	Neighborhood Concept Plans	Park Land Acquisition	*** Local Improvement Financing	Environmental Stewardship	Parking Space	Water Claims	Affordable Housing	Capital Projects Reserve	Reserves Subtotal	Deferred Development Charges
<b>Balance, beginning of year</b>	<b>\$ -</b>	<b>\$ 11,869</b>	<b>\$ 11,742</b>	<b>\$ 12,787</b>	<b>\$ 7,949</b>	<b>\$ 7,953</b>	<b>\$ 3,109</b>	<b>\$ 1,211</b>	<b>\$ 622</b>	<b>\$ 270</b>	<b>\$ -</b>	<b>\$ 57,512</b>	<b>\$ 308,492</b>
DCC's levied for the year	-	-	-	-	-	-	-	-	-	-	-	-	58,772
Investment income	-	131	285	311	193	82	76	30	16	7	-	1,131	2,623
Other revenue	-	9,355	253	5,910	4,321	-	-	408	-	461	1,108	21,816	-
Other Contributions/(Deductions)	-	-	68	-	-	-	-	-	-	(1)	-	67	-
	-	9,486	606	6,221	4,514	82	76	438	16	467	1,108	23,014	61,395
Transfers (to) / from													
Operating funds	10,204	2,119	10,433	(189)	-	304	(30)	-	-	-	-	22,841	-
Capital funds	(16,389)	(442)	(7,686)	(2,808)	(17,271)	-	-	-	-	-	-	(44,596)	(55,377)
Internal Borrowing	6,185	-	(4,300)	(4,414)	6,535	(1,728)	(609)	(502)	(126)	(344)	(697)	-	-
	-	1,677	(1,553)	(7,411)	(10,736)	(1,424)	(639)	(502)	(126)	(344)	(697)	(21,755)	(55,377)
<b>Balance, end of year</b>	<b>\$ -</b>	<b>\$ 23,032</b>	<b>\$ 10,795</b>	<b>\$ 11,597</b>	<b>\$ 1,727</b>	<b>\$ 6,611</b>	<b>\$ 2,546</b>	<b>\$ 1,147</b>	<b>\$ 512</b>	<b>\$ 393</b>	<b>\$ 411</b>	<b>\$ 58,771</b>	<b>\$ 314,510</b>

### Additional Information:

#### \* Capital Legacy Reserve Fund (created by Bylaw in 1999):

The City borrows from this Fund to finance capital projects. Principal and interest repayment schedules are based upon reasonable business case plans approved by City Council. The debt costs are provided for annually within the operating budget of each capital project.

Capital Legacy Fund Prior to Borrowing	\$ 48,981
Internal Borrowing (to) / from other reserves	60,497
Principal Repayable, East Clayton Hub Facility Loan	(36,026) ****
Principal Repayable, North Surrey Arena Replacement Loan	(32,912) ****
Principal Repayable, Surrey Museum Expansion Loan	(8,575) ****
Principal Repayable, Newton Fitness Facility Loan	(7,238) ****
Principal Repayable, Other Facilities, Parks and Culture Loans	(6,617) ****
Principal Repayable, Grandview Heights Pool Loan	(2,004) ****
Principal Repayable, Fleetwood Recreation & Library Envelope Loan	(1,766) ****
Principal Repayable, Hawthorne Rotary Park Improvements Loan	(2,470) ****
Principal Repayable, Cloverdale Library Renovations Loan	(1,850) ****
Principal Repayable, Newton Commercial Land Acquisition	(10,020) ****
Funds on Hand for Financing Projects	<u>\$ -</u>

#### \*\*\* Local Improvement Financing Reserve Fund:

The City borrows from this Fund to finance local improvement projects. The property owners' share, repayable with interest over 10 years, is levied against the benefiting properties. The City's share, repayable with interest over 10 years, is provided for annually within General Operating Fund debt costs.

Funds on Hand For Financing Projects	\$ 8,264
Internal Borrowing (to) / from other reserves	(11,192)
Receivable From Property Owners	9,539
Equity, December 31, 2020	<u>\$ 6,611</u>

#### \*\* Municipal Land Reserve Fund:

The City borrows from this Fund to finance specified projects. Principal and interest repayment schedules are based upon reasonable business case plans approved by City Council.

Municipal Land Fund Prior to Borrowing	\$ 63,463
Internal Borrowing (to) / from other reserves	-
Principal Repayable, Green Timbers	(15,151) ****
Principal Repayable, City Works Yard Expansion Land Loan	(10,255) ****
Principal Repayable, Other Land Loans	(8,733) ****
Principal Repayable, City Centre Social Lands Loan	(2,649) ****
Principal Repayable, Social Housing Loan	(1,406) ****
Principal Repayable, City Parkway	(1,117) ****
Principal Repayable, University Drive	(1,120) ****
Funds on Hand for Financing Projects	<u>\$ 23,032</u>

#### \*\*\*\* Total Outstanding Internal Borrowings to fund capital program:

Capital Legacy Reserve Fund Principal Repayable Loans	(109,478)
Municipal Land Reserve Fund Principal Repayable Loans	(40,431)
Total Internal Borrowings	<u>\$ (149,909)</u>



# City of Surrey

## Schedule 5 - Unaudited COVID-19 Safe Restart Grant

*As at December 31, 2020*

*(in thousands of dollars)*

	2020
<b>COVID-19 Safe Restart Grant Funds Received</b>	<b>\$ 14,769</b>
<b>Use of Funds:</b>	
To address facility admissions revenue shortfalls in Parks, Recreation and Culture	<b>(3,438)</b>
To address program registrations revenue shortfalls in Parks, Recreation and Culture	<b>(7,839)</b>
To address revenue shortfalls in Provincial Gaming Grant Revenue	<b>(3,492)</b>
<b>Balanced of unused Funds</b>	<b>\$ -</b>

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To: MVRD Board of Directors

From: Jerry Dobrovolsky, Commissioner/Chief Administrative Officer

Date: July 21, 2021 Meeting Date: July 30, 2021

Subject: **Board and Committee Electronic Meetings – Next Steps**

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**RECOMMENDATION**

That the MVRD Board direct staff to bring forward amendments to the *Metro Vancouver Regional District Procedure Bylaw* to authorize electronic meetings and participation by board and committee members at those meetings on a limited basis, as described in the report dated July 21, 2021, titled “Board and Committee Electronic Meetings – Next Steps”.

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**EXECUTIVE SUMMARY**

During the pandemic, local governments have been authorized to hold electronic meetings under the authority of the *COVID Related Measures Act*, including Ministerial Order M192. With Ministerial Order M192 set to expire September 28, 2021, an amendment to the *Metro Vancouver Regional District Procedure Bylaw* will be required if the Board wishes to maintain the ability for Board members and Committee members to meet by electronic means. This report provides an opportunity for the Board to provide feedback on key considerations for electronic meetings – criteria for types of meetings that qualify, authorization required to participate, and limits on participation – that will give staff direction on an appropriate amending bylaw.

**PURPOSE**

To seek direction from the Board on possible amendments to the *Metro Vancouver Regional District Procedure Bylaw* that would authorize board and committee meetings to be held electronically on a permanent basis.

**BACKGROUND**

On July 2, 2021, Metro Vancouver received correspondence from the Ministry of Municipal Affairs informing that as of July 1, 2021, BC had moved to Step 3 of the BC Four-Step Restart Plan, and that the provincial State of Emergency had been lifted. While the authority to hold meetings electronically continues to exist under the Ministerial Order M192, that authority will expire on September 28, 2021.

This report brings forward information on possible amendments to the *Procedure Bylaw* that would authorize electronic meetings pursuant to recently-enacted changes to provincial legislation.

**NEW STATUTORY AUTHORITY**

Provincial legislation was recently amended to authorize local governments to conduct meetings electronically, if they so wish, provided specific provisions related to such meetings are included in the Board’s *Procedure Bylaw*.

Municipalities and regional districts around the province are considering electronic meeting options going forward. Many are considering adopting a hybrid model.

### **POSSIBLE NEW PROCEDURE BYLAW PROVISIONS**

The Board's *Procedure Bylaw* establishes the general proceedings to be followed by the Boards and Committees in conducting their business.

Regardless of whether a meeting takes place in-person or electronically, Metro Vancouver must continue to adhere to other legislative requirements and rules associated with public transparency, such as quorum, minutes, public notice, and public attendance. If the Board wishes to allow electronic participation at meetings, the *Procedure Bylaw* must be amended to describe the scope and extent of electronic attendance.

### **Electronic Meeting Considerations**

If the Board wants to permit electronic meeting participation, the Board will need to consider what options best fit the needs of the Board, Metro Vancouver, and the public. There are a range of options and considerations.

### **Possible Electronic Meeting Bylaw Provisions**

The following lists some of the possible considerations for hybrid electronic meeting participation that could be included in the *Procedure Bylaw*:

- **Criteria for Electronic Meeting Participation** – Board and Committee members may request authorization from the Chair to participate electronically in a meeting, subject to the limits described below. In addition, the Chair would have the ability to decide that a meeting would be held electronically in extraordinary circumstances, such as pandemics, natural disasters, or inclement weather.
- **Required In-Person Meetings** – The Board may decide that certain Board or Committee meetings, as determined by the Chair, require in-person attendance. Examples may include:
  - Board inaugural meeting
  - Any meeting where there is an election
  - Budget approval meetings
  - Council of Council meetings
  - Public Hearings
  - Any committee meetings with less than four (4) scheduled annual meetings
- **Limits to Number of Electronic Attendances** – The Board may wish to specify that each Board member or Committee member may not participate electronically in a meeting more than three (3) times per calendar year, for each given Board or committee.
- **Chair to Attend In-Person** – The Board may wish to specify that the Chair, Vice Chair, or any member presiding at a Board or Committee meeting must attend the meeting in-person to better facilitate the meeting.

## ALTERNATIVES

1. That the MVRD Board direct staff to bring forward amendments to the *Metro Vancouver Regional District Procedure Bylaw* to authorize electronic meetings and participation by board and committee members at those meetings on a limited basis, as described in the report dated July 13, 2021, titled “Board and Committee Electronic Meetings – Next Steps”.
2. That the MVRD Board receive for information the report dated July 13, 2021, titled, “Board and Committee Electronic Meetings – Next Steps”.

## FINANCIAL IMPLICATIONS

Any changes to the *Procedure Bylaw* to authorize electronic meeting attendance would not have a financial impact. Members would be remunerated for attendance regardless of the form of participation.

## CONCLUSION

The Board’s *Procedure Bylaw* establishes the general proceedings to be followed by the Boards and Committees in conducting their business. With the upcoming expiration of Ministerial Order M192 on September 28, 2021, should Metro Vancouver wish to maintain the option for Board and Committee members to meet electronically, an amendment to the *Procedure Bylaw* will be required. On that basis, staff are seeking direction and recommend alternative 1.

## References

1. [Metro Vancouver Regional District Procedure Bylaw Number 1205, as amended \(Unofficial Consolidation\)](#)

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To: MVRD Board of Directors

From: Chris Plagnol, Corporate Officer  
Mike Repath, Director, Regional Parks

Date: July 15, 2021 Meeting Date: July 30, 2021

Subject: **MVRD Mosquito Control Service Amending Bylaw No. 1320 Final Adoption**

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**RECOMMENDATION**

That the MVRD Board pass and finally adopt *Metro Vancouver Regional District Regional Mosquito Control Service Amending Bylaw No. 1320, 2021*.

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**EXECUTIVE SUMMARY**

The MVRD provides the service of preventing and abating the nuisance caused by mosquitoes to five service area participants: Coquitlam, Maple Ridge, Pitt Meadows, Langley Township and Surrey. Richmond has requested to join the Metro Vancouver Nuisance Mosquito Control Program service. An amendment to the service bylaw is required to add Richmond as a new participant in the service which requires service area consent and Inspector of Municipalities approval. Both prerequisites have been satisfied, and adoption of the amending bylaw can be considered by the Board.

**PURPOSE**

To seek final adoption of *Metro Vancouver Regional District Mosquito Control Service Amending Bylaw No. 1320, 2021*, a bylaw that will add the City of Richmond as a Participating Area in the Metro Vancouver Nuisance Mosquito Control Program.

**BACKGROUND**

At its meeting of April 30, 2021, the MVRD Board considered the proposed Mosquito Control Service Amending Bylaw and subsequently adopted the following resolution:

*That the MVRD Board:*

- a) give first, second and third reading to Metro Vancouver Regional District Mosquito Control Service Amending Bylaw No. 1320, 2021;*
- b) direct staff to seek consent of at least 2/3 of the participating member municipalities to amend the service by adding the City of Richmond to the Metro Vancouver Nuisance Mosquito Control Program, and following that, forward the Metro Vancouver Regional District Mosquito Control Service Amending Bylaw No. 1320, 2021 to the Inspector of Municipalities for approval.*

This report brings forward the Amending Bylaw (Attachment 1) to finalize the addition of the City of Richmond as a Participating Area in the Metro Vancouver Nuisance Mosquito Control Program.

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**PREREQUISITE CONDITIONS TO BYLAW APPROVAL**

Two prerequisites are necessary to be completed prior to the final adoption of the Amending Bylaw, as set out below.

**Service Area Participant Consent**

As directed, staff circulated the Amending Bylaw to all service area participants to obtain their consent to the adoption of the Amending Bylaw. Two-thirds consent of the 5 current participants (i.e. at least 4 participants) is required before the Amending Bylaw can be considered for adoption by the Board. At the time of writing this report, 5 out of 5 participants have consented to the Amending Bylaw (Attachment 2). Therefore, service area participant consent has been achieved.

**Inspector of Municipalities Approval**

With two-thirds consent of the Amending Bylaw received by the service area participants, staff forwarded the Amending Bylaw to the Ministry of Municipal Affairs requesting statutory approval of the Amending Bylaw by the Inspector of Municipalities. Statutory approval of the Amending Bylaw by the Inspector of Municipalities was received on July 14, 2021.

With the above two prerequisites being satisfied, adoption of the Amending Bylaw can be considered by the Board.

**ALTERNATIVES**

1. That the MVRD Board pass and finally adopt *Metro Vancouver Regional District Regional Mosquito Control Service Amending Bylaw No. 1320, 2021*.
2. That the MVRD Board receive for information the report dated July 15, 2021, titled "MVRD Mosquito Control Service Amending Bylaw No. 1320 Final Adoption".

**FINANCIAL IMPLICATIONS**

There are no financial implications to Metro Vancouver. The Participating Areas must pay the entire cost incurred by the District to provide the mosquito control services in each year that the services are provided. Such costs will be apportioned by the District among the Participating Areas, according to the usage of the mosquito control services by each Participating Area.

**CONCLUSION**

With the recommended bylaw amendment, the City of Richmond will join the Metro Vancouver Nuisance Mosquito Control Program as a Participating Area. Metro Vancouver would enter into an agreement for service with the City of Richmond that mirrors the agreements in place for the five member municipalities. Once this service agreement is in place, the City of Richmond will commence to receive the services of Metro Vancouver's contractor as outlined in the report. On that basis, staff recommend Alternative One.

**Attachments:**

1. Metro Vancouver Regional District Mosquito Control Service Amending Bylaw No. 1320, 2021
2. Participating Area Responses Consenting to Amending Bylaw

**METRO VANCOUVER REGIONAL DISTRICT  
BYLAW NO. 1320, 2021  
A Bylaw to Amend Greater Vancouver Regional District Mosquito Control Service  
Bylaw No. 1164, 2012**

**WHEREAS:**

- A. Metro Vancouver Regional District's Board of Directors (the "Board") adopted the "Greater Vancouver Regional Mosquito Control Service Bylaw No. 1164, 2012" on March 30, 2012 (the "Mosquito Control Service Bylaw");
- B. The City of Richmond has advised that it wishes to participate in Metro Vancouver Regional District's service for preventing and abating the nuisance caused by mosquitoes; and
- C. The Metro Vancouver Regional District wishes to amend GVRD Mosquito Control Service Bylaw No. 1164, 2012.

**NOW, THEREFORE**, the Board of the Metro Vancouver Regional District enacts as follows:

**Citation**

- 1. The official citation of this bylaw is "Metro Vancouver Regional District Mosquito Control Service Amending Bylaw No. 1320, 2021". This bylaw may be cited as "Mosquito Control Service Amending Bylaw No. 1320, 2021".

**Amendment of Bylaw**

- 2. The Mosquito Control Service Bylaw is amended as follows:

a) Section 3 is amended by inserting ", City of Richmond" after "City of Surrey".

Read a first time this 30 day of APRIL, 2021.

Read a second time this 30 day of APRIL, 2021.

Read a third time this 30 day of APRIL, 2021.

Passed and finally adopted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Sav Dhaliwal, Chair

\_\_\_\_\_  
Chris Plagnol, Corporate Officer

**Participating Area Responses Consenting to Amending Bylaw**  
**Metro Vancouver Regional District Mosquito Control Service Amending Bylaw No. 1320, 2021**

<b>Municipality/District</b>	<b>Date of Council Resolution</b>	<b>Response</b>
City of Coquitlam	Monday, May 31, 2021	Consent Received
City of Maple Ridge	Tuesday, May 11, 2021	Consent Received
City of Pitt Meadows	Tuesday, May 18, 2021	Consent Received
City of Surrey	Monday, May 31, 2021	Consent Received
Township of Langley	Monday, May 10, 2021	Consent Received



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**COMMITTEE INFORMATION ITEMS AND DELEGATION SUMMARIES**

Metro Vancouver Regional District

Board Meeting Date – Friday, July 30, 2021

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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](#).

**Regional Culture Committee – June 23, 2021**

*Delegation Summaries:*

No delegations presented

*Information Items:*

5.1 Metro Vancouver Regional Culture Project Grants: Adjudication Process

**Performance and Audit Committee – July 7, 2021**

*Delegation Summaries:*

No delegations presented

*Information Items:*

5.2 Capital Program Expenditure Update as at April 30, 2021

5.3 Interim Financial Performance Report – April 2021

5.4 Investment Position and Returns – March 1, 2021 to May 31, 2021

5.5 Tender/Contract Award Information – March 2021 to May 2021

**Indigenous Relations Committee – July 8, 2021**

*Delegation Summaries:*

No delegations presented

*Information Items:*

5.1 Quarterly Report on Reconciliation Activities

**Regional Parks Committee – July 14, 2021**

*Delegation Summaries:*

No delegations presented

*Information Items:*

5.4 Draft Regional Parks 2022 – 2026 Capital Plan

**Climate Action Committee – July 16, 2021**

*Delegation Summaries:*

No delegations presented

*Information Items:*

- 5.2 Modelling a Carbon Neutral Region: Project Report
- 5.3 Highlights from Engagement on Draft *Clean Air Plan*
- 5.4 2021 Update on Regional District Sustainability Innovation Fund Projects
- 5.7 Lower Fraser Valley Ambient Air Quality Monitoring Network Review 2021

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