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**REPORT TO CAPITAL REGIONAL DISTRICT BOARD
MEETING OF WEDNESDAY, SEPTEMBER 13, 2023**

SUBJECT **Regional District Wide AAP for Bylaw 4552 - Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023**

ISSUE SUMMARY

To revise Bylaw No. 4552 to obtain participating area approval by alternative approval process for the entire service area.

BACKGROUND

On May 10, 2023 Bylaw No. 4552, "Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023" was read three times. Then on June 14, 2023, the CRD Board rescinded third reading, amended the bylaw to include the statutory requirement for a maximum borrowing term of 30 years and gave third reading as amended. The bylaw authorizes borrowing of \$85 million for future housing partnerships for a term of 30 years. The borrowing will create new funding capacity to address the CRD Board priority of increasing the supply of affordable, inclusive, and adequate housing in the region.

As part of the legislative process, the bylaw was submitted to the Inspector of Municipalities for review. The Province recommended that the CRD consider making the approval process easier by separating the approval process for long-term borrowing (Bylaw No. 4552) from the approval process to amend the service's maximum annual requisition under Bylaw No. 4551, "Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010, Amendment Bylaw No. 2, 2023".

To adopt Bylaw No. 4551, and amend the service establishing bylaw annual maximum requisition, will require two-thirds approval of the combined municipal and electoral area participants in accordance with Section 349(1)(b) of the *Local Government Act*. To adopt Bylaw No. 4552, and authorize long-term borrowing, will require full approval of all participants in accordance with Section 180 of the *Community Charter*.

Staff recommend that the CRD Board rescind third reading of Bylaw No. 4552, amend it to obtain elector approval by alternative approval process for the entire service area (i.e. CRD). An updated copy of Bylaw No. 4552 is attached as Appendix A. A redlined copy showing track changes is attached at Appendix B.

For additional information on the bylaws and the future planned use of the funds, please refer to the two previous staff reports dated May 3, 2023 (Appendix C) and June 14, 2023 (Appendix D).

ALTERNATIVES

Alternative 1

1. That elector approval for long-term borrowing under Bylaw No. 4552 be obtained by alternative approval process for the entire service area, as per section 345 of the *Local Government Act*;

2. That third reading of Bylaw No. 4552, “Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023,” be rescinded;
3. That Bylaw No. 4552 be amended by replacing in its entirety Whereas Clause E with the following:
“E. Pursuant to section 407 of the *Local Government Act*, participating area approval is required for this borrowing and shall be obtained by alternative approval process for the entire service area under section 345 of the *Local Government Act*; and,”
4. That Bylaw No. 4552 be read a third time as amended;
5. That Bylaw No. 4552 as amended be referred to the Inspector of Municipalities.

Alternative 2

That this report be referred back to staff for additional information.

IMPLICATIONS

Financial Implications

Due to the need for 100% elector approval on the loan authorization bylaw, there is a risk that the amendment to the service establishing bylaw (No. 4551) will pass and that the loan authorization bylaw (No. 4552) will fail to proceed to adoption.

The priority is to adopt the service establishing bylaw amendment to enable a requisition of additional service funding in the 2024 budget should the Board choose to do so. Loan authorization bylaws can be advanced at any time of the year and reflected in quarterly bylaw amendments to the 5-year financial plan. A region wide alternative approval process will be initiated immediately following the adoption of service establishment amending Bylaw No. 4551.

Elector Approval Method – Past Practice

In recent years, the CRD has conducted successful regional district wide alternative approval processes for the following bylaws:

- Bylaw No. 4522, “Canada Goose Management Service Establishment Bylaw No. 1, 2022”
- Bylaw No. 4515, “Solid Waste Disposal Loan Authorization Bylaw No. 1, 2022”
- Bylaw No. 4382, “Regional Water Supply Water Works Facilities Loan Authorization Bylaw No. 5, 2020”

In 2020, the CRD successfully passed a borrowing bylaw and increased the maximum annual requisition for the Land Assembly, Housing and Land Banking Service to fund the Regional Housing First Program using municipal consent and AAP in the electoral areas. However, there is no guarantee the same approach will be successful as borrowing bylaws require approval from all 16 participants.

CONCLUSION

The CRD Board is being asked to consider obtaining approval for Bylaw No. 4552, “Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023,” by conducting an alternative approval process for the entire service area (i.e. CRD). Before the proposed borrowing

bylaw can be adopted, the CRD must first amend the service establishment bylaw to increase the maximum requisition.

Participant approval for Bylaw No. 4551, “Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010, Amendment Bylaw No. 2, 2023” will be obtained with two-thirds consent on behalf of the municipal and electoral area participating areas this fall.

To adopt Bylaw No. 4552, and authorize long-term borrowing, will require full approval of all participants in accordance with Section 180 of the *Community Charter*. Staff recommend that the CRD Board rescind third reading of Bylaw No. 4552, amend it to obtain elector approval by alternative approval process for the entire service area (i.e. CRD), and refer the amended bylaw back to the Inspector of Municipalities for approval.

RECOMMENDATION

1. That elector approval for long-term borrowing under Bylaw No. 4552 be obtained by alternative approval process for the entire service area, as per section 345 of the *Local Government Act*;
2. That third reading of Bylaw No. 4552, “Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023,” be rescinded;
3. That Bylaw No. 4552 be amended by replacing in its entirety Whereas Clause E with the following:
“E. Pursuant to section 407 of the *Local Government Act*, participating area approval is required for this borrowing and shall be obtained by alternative approval process for the entire service area under section 345 of the *Local Government Act*; and,”
4. That Bylaw No. 4552 be read a third time as amended;
5. That Bylaw No. 4552 as amended be referred to the Inspector of Municipalities.

Submitted by:	Marlene Lagoa, Manager, Legislative Services & Deputy Corporate Officer
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENT(S)

- Appendix A: Bylaw No. 4552
- Appendix B: Bylaw No. 4552 Redlined
- Appendix C: Previous Staff Report dated May 3, 2023
- Appendix D: Previous Staff Report dated June 14, 2023