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REPORT TO PLANNING AND PROTECTIVE SERVICES COMMITTEE MEETING OF WEDNESDAY, JULY 17, 2024

SUBJECT **Bylaw No. 4602: Foodlands Access Service**

ISSUE SUMMARY

To approve the establishment of the Foodlands Access Service for the purpose of facilitating access to productive farmland in the Capital Regional District (CRD).

BACKGROUND

On November 8, 2023, the CRD Board directed that staff bring forward a Foodlands Access Service Bylaw with options for bylaw approval.

The CRD needs new service authorities and funding to deliver this work. Specifically, the new service must be able to acquire, hold, and manage land through lease agreements, enter into contracts with service providers, administer grants and raise and spend funds to pay for operating and capital expenses. The decision-point for new service establishment is to identify these general authorities and set a requisition limit that caps how much money the service can raise. Staff would develop detailed program direction at the operational level and seek Board approval through the annual service and financial planning process.

Staff have drafted a new establishment bylaw (Appendix A) and a proposed program budget (Appendix B) for consideration.

History

The proposed Foodlands Access Service is the culmination of more than a decade of work by CRD staff and community agriculture advocates working towards the establishment of an agricultural land trust to support farmers and protect farmland in the CRD. The creation of the Foodlands Access Service will be the CRD's first service focused on agriculture and is a significant step toward that long-term goal.

From the development of the Regional Food and Agriculture Strategy (2016) to the integration of agriculture goals into the Regional Growth Strategy (RGS) (2018), the CRD's focus was to support local agriculture through new regional policy direction. With well-established policy, the next step explored new service delivery with completion of the Regional Foodlands Access Program Feasibility Study (2019) and the Foodlands Trust Business Case (2022).

Proposed Service and Program Delivery

In July 2023, the CRD Board received an update on the proposed service. CRD staff indicated that operational requirements would be delivered through two programs of work: surplus land conversion to agricultural use and land matching grants. At this meeting, the CRD Board also gave conditional approval for the use of the eastern portion of Bear Hill Regional Park as a trial site for the surplus land conversion program. The goal will be to test activating the currently underutilized site for agriculture and to explore how this and other surplus lands can be converted to productive use. See Appendix C for a location map. If a new service is approved, the proposed program on the Bear Hill site would be facilitated through a license agreement with CRD Regional Parks, similar in nature to the current agreement with the City of Victoria that lasts until 2035. The program would be evaluated at the end of the agreement term and consideration given to the ongoing use of the lands for this program.

The second proposed program to operate under the Foodlands Access Service is a grant program to encourage participation and provide support to farmers in the BC Land Matching Program. This provincial program brings together landowners and prospective farmers to enter into land leases for farming on privately held lands. The program has proven successful in parts of the province but has not seen a high degree of uptake within the CRD. By promoting the program and providing startup grant funding support, the goal is to encourage more land matching agreements that will bring additional farmland into production while supporting new and expanding farmers who participate.

In the future, the Foodlands Access Service will have the capacity to expand to additional agriculture related programming with approval by the CRD Board. A long-term goal of the service is the eventual establishment of a farmland trust that will hold, protect, and facilitate access to farmland in the region for generations to come. The proposed service and program offerings are a first step to prove viability of the concept that can take on an increasing role in farmland protection and farmer support in the region.

Based on these policy directions and program analyses, as well as ongoing engagement with the agricultural community in 2022-2024, CRD staff have identified operational requirements, service participants and a funding strategy needed to establish a service.

ALTERNATIVES

Alternative 1

The Planning and Protective Services Committee recommends to the Capital Regional District Board:

- 1) That Bylaw No. 4602, "Foodlands Access Service Establishing Bylaw No. 1, 2024", be introduced and read a first, second and third time;
- 2) That participating area approval be obtained by regional alternative approval process; and
- 3) That Bylaw No. 4602, be forwarded to the Inspector of Municipalities for approval.

Alternative 2

That this report be referred back to staff for additional information based on Planning and Protective Services Committee direction.

IMPLICATIONS

Alignment with Board & Corporate Priorities

CRD Corporate Plan initiative 8b-1 is to consider establishment of a new Foodlands Access Service.

Alignment with Existing Plans & Strategies

Development of a new Foodlands Access Service responds to direction from the *CRD Food and Agriculture Strategy* (2016) and the RGS. Initial service design has been informed by the *CRD Regional Foodlands Access Program Feasibility Study* (2019) and the *Kwantlen Polytechnic University's Foodlands Trust Business Case* (2022).

Financial Implications

Staff have proposed potential costs for this regional service be cost-shared based on population (50%) and converted assessment (50%) for the participating partners. The proposed program budget for the participating partners for 2025 is presented in Appendix B.

The proposed requisition limit for the service is \$1,000,000, which will allow for program expansion to bring additional farm sites into the service over the next five to ten years.

Program costs will be identified and approved as part of the service and financial planning processes. Costs associated with scoping and planning for implementation are available in 2025. If approved, the first year of program spending will be 2026.

Intergovernmental Implications

Throughout scoping and development of the proposed service, ongoing updates and feedback have been provided to local governments through the Development Planning Advisory Committee (DPAC) and to agricultural groups through the Peninsula and Area Agricultural Commission (PAAC). The input provided by these groups has been invaluable in refining the service concept.

Regional Growth Strategy Implications

The proposed service supports implementation of RGS objective 6.1, which is focused on fostering a resilient food and agriculture system. It strives to protect the region's food and farmlands, enhances local food security, expands food system economic opportunities, and provides opportunities for expanding farmers to gain access to productive agricultural lands.

Service Delivery Implications

The new service seeks to activate surplus CRD owned lands as a pilot project to build organizational capacity. The focus is on developing experience in managing farmland leasing and agriculture support services. This pilot is intended to prove viability of the approach and, in future years, expand to additional regional and municipal properties that can be converted into productive farming spaces. If the program proves to be viable, the CRD would canvas municipalities to explore potential sites that could be used in this service. As well, a grant program is proposed that will support successful land matches made through the BC Land Matching Program.

The proposed Foodlands Access Service would introduce a new service level to the Regional Planning Division. A key service delivery assumption is that farm site management is provided by a qualified farm site operator. A qualified farm site operator can only be retained once a service is established. The farm site operator will be responsible for providing a detailed budget for site preparation, equipment and contract service costs.

Legal Implications

A regional district may operate any service it deems desirable, provided that on establishment of the service by way of service establishing bylaw, it received participating area approval. There are three options to obtain participating area approval for Bylaw No. 4602: regional alternative approval process; municipal consent on behalf with alternative approval process (AAP) in the electoral areas; and referendum/elector assent.

As a regional service focused on agriculture is most effective if all municipalities and electoral areas participate, a regional AAP is advised. This would put the responsibility of objecting to the service on the electors, who, if 10% were not in favour, could determine not to proceed. Should an AAP approach be selected, a detailed communications plan will be developed to inform the public about the proposed new service prior to the AAP process. Given an AAP is already required in the Electoral Areas, it is recommended a regional AAP be pursued.

An alternative is the municipal consent process, which would permit any municipality or electoral area to effectively veto the creation of the service if they were not in favour of its establishment. Finally, the referendum approach would give voters a direct say on the service, but it would be significantly more costly and have a longer timeline than the other options.

CONCLUSION

Local farming and overall food security has long been a concern in the capital region, as the cost of farmland and an aging farmer population have continued to rise. To address this, CRD staff from Regional Planning have prepared Bylaw No. 4602, “Foodlands Access Service”, to establish a service focused on facilitating affordable access to productive farmland for new and expanding farmers. The service will start with a test site to establish viability on a portion of Bear Hill Regional Park, with the goal of expanding to additional sites in the future. This work will be done in partnership with an experienced qualified farm site operator who will manage daily operations at the site. The service authorities being proposed are required to undertake this pilot project but have also been drafted broadly to allow for other agriculture supporting programs to be proposed in the future.

RECOMMENDATION

The Planning and Protective Services Committee recommends to the Capital Regional District Board:

- 1) That Bylaw No. 4602, “Foodlands Access Service Establishing Bylaw No. 1, 2024”, be introduced and read a first, second and third time;
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Submitted by:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENTS

- Appendix A: Draft Bylaw No. 4602, “Foodlands Access Service Establishing Bylaw No. 1, 2024”
- Appendix B: Proposed Program Budget
- Appendix C: Bear Hill Farm Site Map

CAPITAL REGIONAL DISTRICT
BYLAW NO. 4602

**A BYLAW TO ESTABLISH A SERVICE FOR THE PURPOSE OF
FOODLANDS ACCESS**

WHEREAS:

- A. The Board of the Capital Regional District wishes to establish a regional Foodlands Access Service (the “Service”) to address the decline of productive farmland in the Capital Regional District; and
- B. Participating area approval is required and elector approval has been obtained for the entire service area by alternative approval process, pursuant to s. 342(4) of the *Local Government Act*; and,
- C. The approval of the Inspector of Municipalities has been obtained under s. 342(1)(a) of the *Local Government Act*.

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

Service

- 1. The service being established and to be operated is a service to preserve and coordinate preservation and access to farmland for agricultural use, and to promote regional food security, including, without limiting the foregoing:
 - a) purchasing, leasing or otherwise acquiring land to be used for agriculture and agricultural-related activities;
 - b) providing capital funding for improvements to agricultural land, and operational funding for delivery of service programs on agricultural land;
 - c) entering into agreements with third parties for service delivery and operation of programs in support of the service;
 - d) providing grants or financial assistance to support agricultural initiatives that promote beneficial and sustainable agricultural practices and regional food security; and
 - e) delivering the service and achieving the service goals through education, outreach, and other promotional activities.

Boundaries

- 2. The boundaries of the service area are coterminous with the boundaries of the Capital Regional District.

Participating Areas

- 3. All municipalities and electoral areas within the Capital Regional District are the participating areas for this service.

Cost Recovery

4. As provided in Section 378 of the *Local Government Act*, the annual cost of providing the Service shall be recovered by one or more of the following:
 - a) property value taxes imposed in accordance with Division 3 of Part 11 of the *Local Government Act*;
 - b) fees and charges imposed under Section 397 of the *Local Government Act*;
 - c) revenues raised by other means authorized by the *Local Government Act* or another Act;
 - d) revenues received by way of agreement, enterprise, gift, grant or otherwise.

Cost Apportionment

5.
 - a) The annual costs for the service, net of grants and other revenues, shall be apportioned among the participating areas, as follows:
 - i. Fifty (50) percent of the costs shall be recovered on the basis of the population of the participating areas; and
 - ii. Fifty (50) percent on the converted value of land and improvements in the participating areas.
 - b) Population, for the purpose of this section, is the population estimate as determined annually by the Regional Planning department of the Capital Regional District.

Maximum Requisition

6. In accordance with Section 339(1)(e) of the *Local Government Act*, the maximum amount that may be requisitioned annually for the cost of the Service is the greater of:
 - a) One million (\$1,000,000); or
 - b) An amount equal to the amount that could be raised by a property value tax rate of \$0.00543 per one thousand dollars (\$1,000) that, when applied to the net taxable value of the land and improvements within the Service Area, will yield the maximum amount that may be requisitioned for the Service.

Citation

7. This Bylaw may be cited as the "Foodlands Access Service Establishment Bylaw No. 1, 2024".

READ A FIRST TIME THIS _____ day of _____, 2024

READ A SECOND TIME THIS _____ day of _____, 2024

READ A THIRD TIME THIS _____ day of _____, 2024

APPROVED BY THE INSPECTOR OF MUNICIPALITIES THIS _____ day of _____, 2024

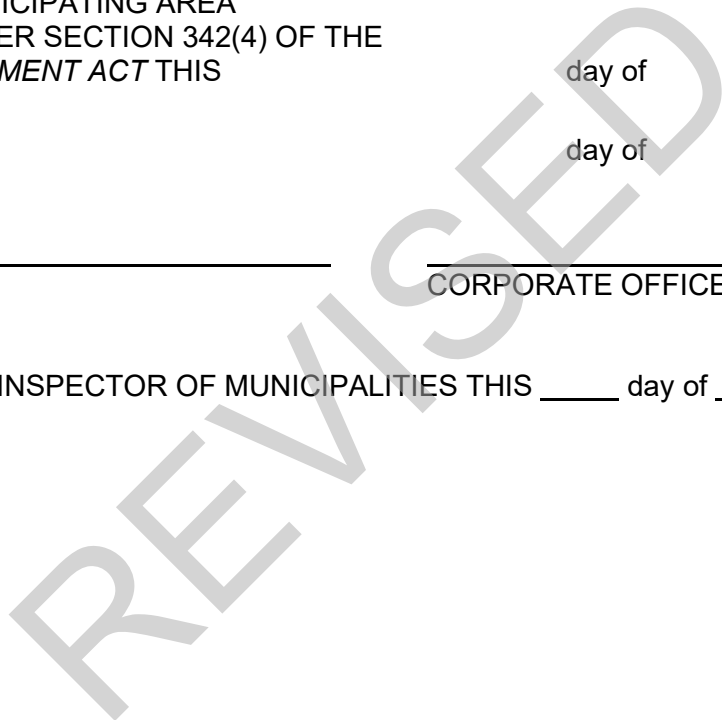
RECEIVED PARTICIPATING AREA APPROVAL UNDER SECTION 342(4) OF THE LOCAL GOVERNMENT ACT THIS _____ day of _____, 2024

ADOPTED THIS _____ day of _____, 2024

CHAIR

CORPORATE OFFICER

FILED WITH THE INSPECTOR OF MUNICIPALITIES THIS _____ day of _____



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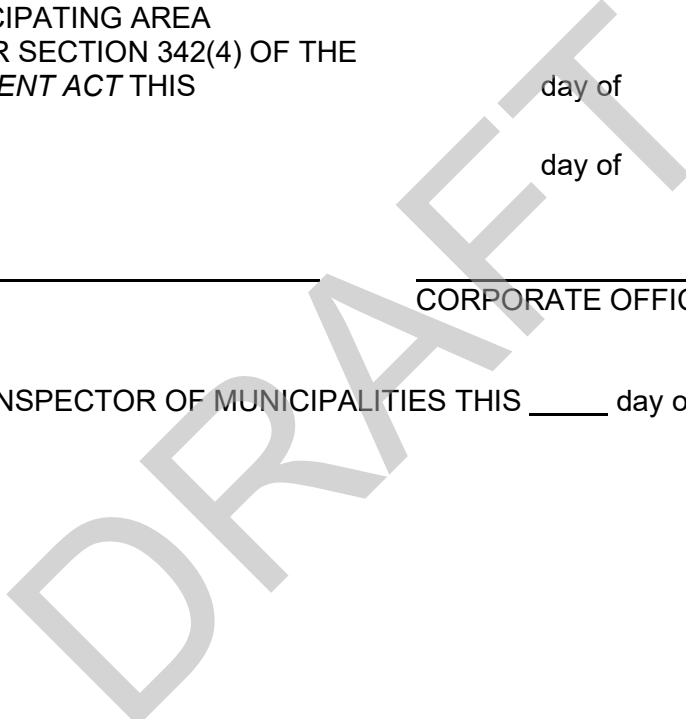
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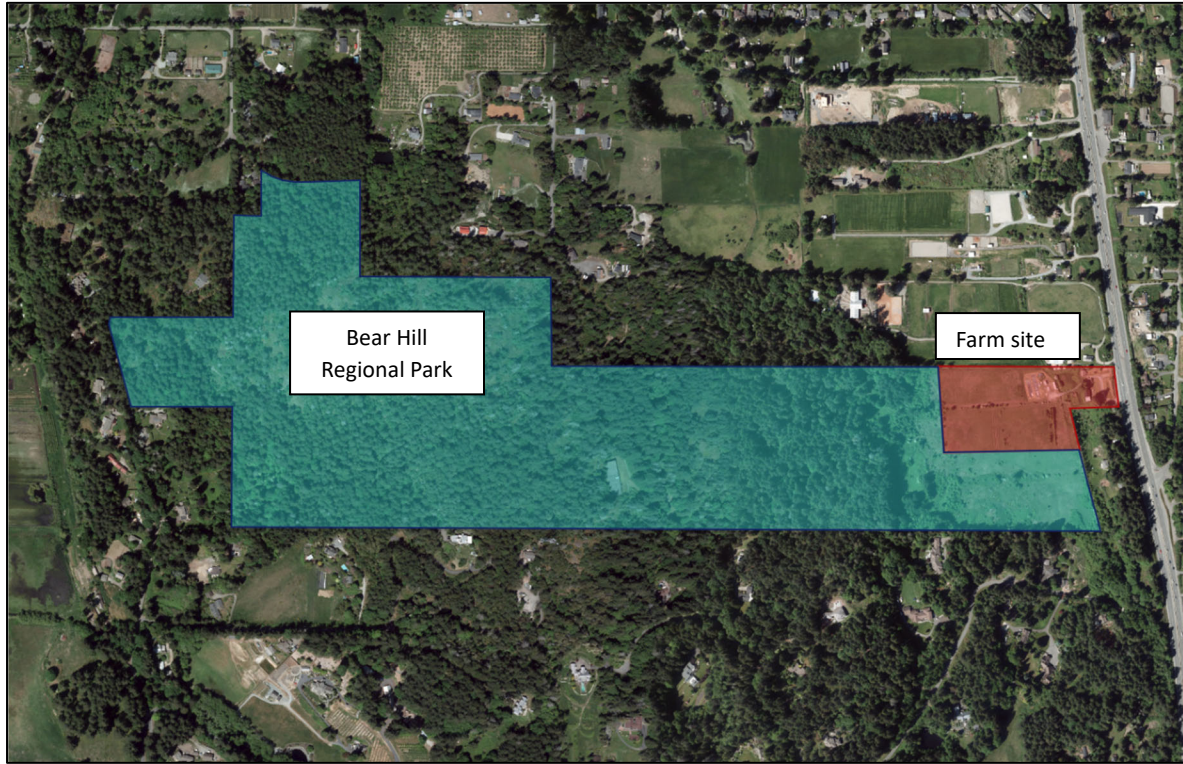
Proposed Program Budget

Table 1 provides a summary of anticipated costs over the first five years of the program. Costs reflect a Class C cost estimate (+/- 25-40%), based on information from the 2022 Foodlands Trust Business Case. Further cost refinements would be undertaken once a service is established, and a qualified farm site operator is selected.

Table 1: Projected Foodlands Access Service Five Year Financial Impacts (2024 estimate)

Description	2026	2027	2028	2029	2030
Staff	\$-	\$-	\$71,750	\$72,990	\$74,230
Contract services	\$125,000	\$127,500	\$130,000	\$132,500	\$135,000
Site preparation & equipment costs	\$175,000	\$-	\$-	\$300,000	\$-
Land matching grant program	\$20,000	\$100,000	\$100,000	\$100,000	\$100,000
Operating reserve contributions	\$-	\$20,000	\$20,000	\$20,000	\$20,000
TOTAL	\$320,000	\$247,500	\$321,750	\$625,490	\$329,230

Site Maps:



Bear Hill Farm Site – Existing Features



Supplemental: Participant Apportionment

FOODLANDS SERVICE

PARTICIPANT APPORTIONMENT SIMULATION

Service Participants	Basis of Apportionment		Percent of Total	Estimated 2026 Requisition (\$)	Cost Per Average Residential Assessment*
	50% Converted Assessments (2024)	50% Regional Planning Population (2023)			
Municipalities					
Central Saanich	940,613,176	19,215	4.4%	13,978	\$1.68
Colwood	826,945,685	21,759	4.4%	14,025	\$1.70
Esquimalt	687,695,262	19,639	3.8%	12,214	\$1.88
Highlands	133,874,982	2,690	0.6%	1,973	\$1.91
Langford	2,186,331,024	52,661	11.0%	35,343	\$1.54
Metchosin	228,180,080	5,242	1.1%	3,598	\$2.09
North Saanich	928,795,732	13,118	3.7%	11,714	\$2.01
Oak Bay	1,262,567,858	19,602	5.2%	16,555	\$2.43
Saanich	5,433,968,140	129,098	27.2%	87,205	\$1.89
Sidney	769,254,206	12,878	3.3%	10,420	\$1.25
Sooke	582,186,138	16,776	3.2%	10,393	\$1.43
Victoria	5,022,381,103	99,276	23.0%	73,451	\$1.55
View Royal	506,524,168	13,147	2.7%	8,526	\$1.80
	19,509,317,554	425,101	93.6%	299,395	
Electoral Areas					
Juan de Fuca	369,767,091	5,784	1.5%	4,864	\$1.20
Saltspring Island	695,133,309	12,075	3.0%	9,572	\$1.44
Southern Gulf Islands	550,966,010	5,598	1.9%	6,170	\$0.90
	1,615,866,410	23,457	6.4%	20,605	
Total	21,125,183,964	448,558	100.00%	320,000	

Prepared September 2024.

Assessment and population data is based on information used for 2024 Final Budget, subject to annual update.

** The cost per average residential assessment is a theoretical calculation that provides a directional indicator on impacts to residential rate payers only. It can be used as an approximation of cost for a residential household if a home's assessment value is at or near the 'Average Residential Assessed Value'*