

**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 Then on June 14, 2023, the CRD Board rescinded third reading, amended the bylaw to include the statutory requirement for a maximum borrowing term of 30 years and gave third reading as amended.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

CAPITAL REGIONAL DISTRICT

BYLAW NO. 4552

**A BYLAW TO AUTHORIZE THE BORROWING OF EIGHTY-FIVE MILLION DOLLARS
(\$85,000,000) FOR FUTURE HOUSING PARTNERSHIPS**

WHEREAS:

- A. By Supplementary Letters Patent, Division XII dated July 25, 1974, as amended by further Supplementary Letters Patent, the Capital Regional District was granted the function of Land Assembly, Housing and Land Banking which included the power to undertake land assembly for the purpose of housing, either public or private and, public housing pursuant to the provisions of the *National Housing Act*, the *Municipal Act*, the *Housing Act*, and other legislation pertaining to land assembly and public housing, as if the regional district were a municipality;
- B. Under Bylaw No. 3712, Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010, the Capital Regional District converted this to a service under the *Local Government Act* in all member municipalities and electoral areas (the "Service");
- C. It is deemed desirable to borrow additional funds in the amount of Eighty-Five Million Dollars (\$85,000,000) for the Service, which is the amount of debt intended to be authorized under this Bylaw, for use to support future housing partnership opportunities and advance the CRD Board priority of increasing supply of affordable, inclusive and adequate housing in the region;
- D. It is proposed that the financing is to be undertaken by the Municipal Finance Authority of British Columbia pursuant to proposed agreements between it and the CRD;
- 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,
- F. The approval of the Inspector of Municipalities is required under Section 403 of the *Local Government Act*.

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

- 1. The Board is hereby empowered and authorized to borrow upon the credit of the Capital Regional District a sum not exceeding Eighty-Five Million Dollars (\$85,000,000) for the purposes of Land Assembly, Housing and Land Banking, including to support future housing partnership opportunities and to increase supply of affordable, inclusive and adequate housing in the region, and do all things necessary in connection therewith and without limiting the generality of the forgoing, 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 Land Assembly, Housing and Land Banking Service.

2. The maximum term for which debentures may be issued to secure the debt intended to be created by this bylaw is 30 years.
3. This Bylaw may be cited as the "Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023".

READ A FIRST TIME THIS	10 th	day of	May,	2023
READ A SECOND TIME THIS	10 th	day of	May,	2023
READ A THIRD TIME THIS	___ th	day of	_____	2023
APPROVED BY THE INSPECTOR OF MUNICIPALITIES THIS	___ th	day of	_____	2023
RECEIVED THE ASSENT OF THE ELECTORS THIS	___ th	day of	_____	2023
ADOPTED THIS	___ th	day of	_____	2023

CHAIR

CORPORATE OFFICER

CAPITAL REGIONAL DISTRICT

BYLAW NO. 4552

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 (\$85,000,000) FOR FUTURE HOUSING PARTNERSHIPS**

WHEREAS:

- A. By Supplementary Letters Patent, Division XII dated July 25, 1974, as amended by further Supplementary Letters Patent, the Capital Regional District was granted the function of Land Assembly, Housing and Land Banking which included the power to undertake land assembly for the purpose of housing, either public or private and, public housing pursuant to the provisions of the *National Housing Act*, the *Municipal Act*, the *Housing Act*, and other legislation pertaining to land assembly and public housing, as if the regional district were a municipality;
- B. Under Bylaw No. 3712, Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010, the Capital Regional District converted this to a service under the *Local Government Act* in all member municipalities and electoral areas (the "Service");
- C. It is deemed desirable to borrow additional funds in the amount of Eighty-Five Million Dollars (\$85,000,000) for the Service, which is the amount of debt intended to be authorized under this Bylaw, for use to support future housing partnership opportunities and advance the CRD Board priority of increasing supply of affordable, inclusive and adequate housing in the region;
- D. It is proposed that the financing is to be undertaken by the Municipal Finance Authority of British Columbia pursuant to proposed agreements between it and the CRD;
- 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,
- ~~E. Pursuant to Section 407 of the *Local Government Act*, participating area approval is required and shall be obtained in the municipalities by consent on behalf and in the electoral areas by Alternative Approval Process under Sections 345 and 346 of the *Local Government Act*; and,~~
- F. The approval of the Inspector of Municipalities is required under Section 403 of the *Local Government Act*.

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

- 1. The Board is hereby empowered and authorized to borrow upon the credit of the Capital Regional District a sum not exceeding Eighty-Five Million Dollars (\$85,000,000) for the purposes of Land Assembly, Housing and Land Banking, including to support future housing partnership opportunities and to increase supply of affordable, inclusive and adequate housing in the region, and do all things necessary in connection therewith and without limiting the generality of the forgoing, 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 Land Assembly, Housing and Land Banking Service.

2. The maximum term for which debentures may be issued to secure the debt intended to be created by this bylaw is 30 years.
3. This Bylaw may be cited as the "Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023".

READ A FIRST TIME THIS	10 th	day of	May,	2023
READ A SECOND TIME THIS	10 th	day of	May,	2023
READ A THIRD TIME THIS		day of		2023
	14 th		June,	
APPROVED BY THE INSPECTOR OF MUNICIPALITIES THIS	___ th	day of	_____	2023
RECEIVED THE ASSENT OF THE ELECTORS THIS	___ th	day of	_____	2023
ADOPTED THIS	___ th	day of	_____	2023

CHAIR

CORPORATE OFFICER



REPORT TO HOSPITALS AND HOUSING COMMITTEE MEETING OF WEDNESDAY, MAY 03, 2023

SUBJECT **Future Housing Partnerships Alternative Approval Process and Bylaw Amendments**

ISSUE SUMMARY

To permit the borrowing of up to \$85 million (M) through the Land Assembly, Housing and Land Banking service in support of partnership opportunities related to increasing the supply of affordable, inclusive, and adequate housing in the region.

BACKGROUND

In September 2019, the Capital Regional District (CRD) Board authorized staff to amend Bylaw No. 3712, "Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010" (Appendix A – showing track changes from proposed Bylaw No. 4551 amendment) to remove a borrowing maximum of \$25M under the service as well as remove a 25-year limit on the length of time a housing agreement could be entered into. At the same meeting, the CRD Board also authorized staff to proceed with obtaining elector assent for Loan Authorization Bylaw No. 4327 to permit the borrowing of \$10M in support of the Regional Housing First Program (RHFP). The amendment bylaw and the loan authorization bylaw were adopted in March 2020.

As the RHFP was moving toward full program build out, staff advanced a white paper, *Future Housing Priorities and Partnerships* (FHPP), in July 2022. The white paper identified three areas of focus including:

- **Acquisition fund** to increase and preserve the supply of affordable rental and create future redevelopment opportunities, purchase of shovel-ready developments or acquire land for development of affordable housing;
- **Rural Housing Strategy** to increase, preserve and broaden the supply of affordable housing in small and rural communities, recognizing the need to approach housing solutions in rural communities with different assumptions than those used for conventional housing interventions in growing urban regions; and,
- Increase the supply of **housing with supports for people with complex needs** currently not adequately supported by the traditional model as a compliment to new provincial Complex Care Housing initiative.

The Board endorsed the FHPP and directed staff to develop a program framework and identification of funding partnership contributions to address unmet housing needs in the capital region based on the priorities identified in the white paper. The Board included a fourth area of focus which is to ensure the rapid and ongoing expansion of newly built publicly owned affordable housing in the CRD. Staff will report out on the program framework in Q4 2023.

On September 21, 2022, as part of provisional budget review, the Board directed staff to report back on options for increasing funding for land acquisition for housing. This report was received at the Hospitals and Housing Committee (HHC) as an information report on March 1, 2023 (Appendix B). The HHC passed a referral motion directing staff to report back on the implications of amending Bylaw No. 3712, which was received by the Board on April 12, 2023, where the Board then passed the following motions:

1. *That staff be directed to bring forward a report with an amendment to Bylaw No. 3712, "Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010" to increase the allowable annual maximum requisition by \$5 million to \$10 million; and,*
2. *Create a loan authorization bylaw to enable the financing of up to \$85 million from the increase of the allowable annual maximum requisition of \$5 million.*

Due to recent changes in interest rates as well as assessed property values, the estimated annual requisition to support \$85 million in borrowing now stands at \$5.3M. As a result, the proposed amendment of \$0.062 per \$1,000 of assessed value equates approximately to a new maximum requisition of \$11.5M instead of the \$10.0M referenced in the Board motion.

Bylaw No. 4551, "Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010, Amendment Bylaw No. 2, 2023" is attached as Appendix C and the Bylaw No. 4552, "Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023" is attached as Appendix D to this staff report.

ALTERNATIVES

Alternative 1

The Hospitals and Housing Committee recommends to the Capital Regional District Board:

1. That Bylaw No. 4551, "Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010, Amendment Bylaw No. 2, 2023", be introduced, read a first, second, and third time;
2. That Bylaw No. 4552, "Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023", be introduced, read a first, second, and third time; and,
3. That participating area approval for Bylaws No. 4551 and No. 4552 in the municipalities be obtained via council consent on behalf of electors, and by alternative approval process in the electoral areas, and if successful, that staff provide the bylaws to the Inspector of Municipalities for approval.

Alternative 2

That the Future Housing Partnerships Alternative Approval Process and Bylaw Amendments report be referred to staff for additional information based on Hospitals and Housing Committee direction.

IMPLICATIONS

Intergovernmental Implications

On January 12, 2023, the Province announced the creation of a \$500M fund administered by a newly created Rental Protection Fund Society (RPFS) to enable non-profits to purchase buildings and protect affordability for current and future tenants. Though there remain key details that have yet to be announced, staff have engaged BC Non-Profit Housing Association (BCNPHA), who is actively working with other stakeholders to develop the RPFS.

Preliminary discussions have identified a viable path toward a possible partnership between the CRD and the RPFS to acquire and protect existing Naturally Occurring Affordable Housing (NOAH) within the capital region. However, as the RPFS is a newly formed society, more extensive discussions are on hold until it has a Chief Executive Officer (CEO) in place, which is

expected by the midway point of 2023 and the CRD has a demonstrated capacity to consider investment into a potential partnership.

Focusing more broadly on general land acquisition and potential partnerships, the province recently released its 2023 provincial budget, which included the following:

- \$394M over three years in new capital funds to acquire lands for future affordable and market housing development along main transit corridors. Full details on how these funds are to be deployed and the constraints/targets informing this investment have yet to be released. Forthcoming information will inform ongoing work related to FHPP.
- \$4.2 billion (B) over three years with \$2.2B in operating and \$2B in capital funding to support Building BC programs. It is important to note that this \$4.2B includes the previously mentioned \$394M to support land acquisition along transit corridors as well as a range of other investments. Budget 2023 identifies \$260M as new capital investment over three years to support Building BC and BC Housing programs, such as the Community Housing Fund (CHF).
- \$169M over three-years in capital funding to help create additional complex-care beds to support individuals with complex mental-health and substance-use challenges and whose needs are not being met through the current intervention landscape. Budget 2023 also includes \$97M in operating funding to provide clients of this intervention with health-focused supports and services.

Building on the funding commitments made through Budget 2023, the province released Homes for People: An action plan to meet the challenges of today and deliver more homes for people, faster. A summary overview of the four pillars of the action plan, action items and potential connections to current or future CRD initiatives is attached as Appendix E.

On April 12, 2023, the province and the Metro Vancouver Regional District (MVRD) announced a Memorandum of Understanding (MOU) that will help to advance 2,000 units of rental housing over 10-years under the new Homes for People program. Phase 1 of this partnership includes an investment of \$158M over three-years from the provincial government and is expected to support 660 new units at five sites identified by MVRD. Foundational to this partnership is a commitment from MVRD of land and cash equity totaling \$217M over 10-years.

Though still in the early stages, staff are actively engaging a range of key stakeholders to explore partnership opportunities in the following areas:

- Protect and preserve NOAH in partnership with the RPFS;
- Acquire lands for future affordable housing development along transit corridors;
- Working through the Capital Region Housing Corporation (CRHC), apply for any funding programs as available to advance the acquisition of lands and/or fund the capital costs associated with developing new affordable rental units;
- Develop scoping and feasibility for a Rural Housing Program, including advancing partnerships with other agencies and pursuing funding opportunities;
- Working in partnership with the Capital Regional Hospital District (CRHD), collaborate with Island Health (IH) and the Ministry of Mental Health and Addictions to explore partnerships related to complex-care housing; and,
- Look to the model of MVRD to consider a longer-term MOU that could leverage CRD-investment, if available.

Service Delivery Implications

As the current capacity under Bylaw No. 3712 is fully committed to already approved initiatives, consideration of any additional projects will require new resourcing. The recent announcements from the provincial government provide several areas of opportunity that staff are actively exploring. Should the CRD create the capacity to invest into potential partnerships, it will demonstrate an enhanced commitment to addressing key regional challenges and will also provide staff with the ability to signal to prospective partners the opportunity to leverage and layer funds to achieve a greater impact than would otherwise be possible.

It is also important to note that any efforts to advance work related to FHPP involved two related, but distinct steps. The first is to create the capacity, which involves an amendment to Bylaw No. 3712 and a new loan authorization bylaw. The second step will be to authorize debt on a project-by-project basis or as a part of the annual financial plan approval process.

Alignment with Board & Corporate Priorities

On April 12, 2023 the CRD Board approved the 2023-2026 Corporate Plan. The following initiatives under the Housing Priority are directly related to advancing the recommendations contained within this staff report:

- 5a-1 Increase supply of affordable, inclusive and adequate housing across the region;
- 5a-2 Pursue funding opportunities and matching funds to deliver more housing;
- 5b-1 Support continued investment into existing housing stock to preserve and enhance the quality of the buildings and units; and,
- 5b-2 Protect existing market rental housing to preserve affordability.

Financial Implications

To access additional funds under this service, the amendment to Bylaw No. 3712 along with the new loan authorization bylaw require approval and adoption.

Upon adoption of both bylaws and before any funds can be expended, the financial plan will need to be updated to include revenue, expenses and borrowings. In addition, before any funds can be borrowed against the loan authorization, the board will be asked to approve a Security Issuing Bylaw.

Bylaw No. 3712 currently has a maximum requisition limit (based on property assessment values) and an existing loan authorization bylaw. The borrowing limit currently authorized is \$35M and is entirely committed in support of approved RHFP projects, after which the bylaws will no longer be active.

To establish the capacity to borrow up to an additional \$85M, the maximum requisition will need to increase to accommodate the estimated cost of the annual debt repayment. Given recent shifts in interest rates and assessed property values, the estimated annual requisition to support \$85 million in borrowing is \$5.3M. Based on this estimate and for certainty, the amended maximum acquisition proposed is \$11.5M or \$0.062/\$1,000 of assessed value. The estimated debt servicing costs will be based on the specific future projects and related borrowings, as approved within future Financial Plan Bylaws. For example, if the full \$85M were borrowed at the MFA's current indicative interest rate of 4.4% (as of April 24, 2023), the estimated annual debt servicing cost would be approximately \$5.3M, with an amortization term of 30 years. Debt servicing costs are funded by requisition, and actual borrowings in each of the next five years will depend on that year's cash flow requirements.

Legislative Implications

To borrow funds long-term (i.e., beyond five years), the approval of a loan authorization bylaw and subsequently, and separately, a security issuing bylaw are required under the *Local Government Act*. As part of the loan authorization bylaw approval process, the bylaw requires elector approval. Elector approval can be obtained through consent on behalf of municipal participants and electoral participating areas (by sub-regional AAP), a referendum, or by a regional alternative approval process (AAP) for the entire service area. Consent on behalf of municipal participants, and by alternative approval process in the electoral areas, is initiated when the loan authorization bylaw has received third reading by the Board and approval by the Inspector of Municipalities and are the preferred methods administratively in this instance. These processes will be undertaken concurrently, and are expected to take six months, including the eight weeks of waiting on provincial approval of the assent method and the approval of the service amendment and loan authorization bylaws.

To ensure optimization of interest and timing of long-term debt, issuance of a temporary borrowing will be proposed if Ministerial approval is obtained, and the elector approval process proves successful. The timing of the debt issuance will be based on the timing of expenditures and will be dependent on prevailing interest rates at the time. Before long-term debt issuance can be exercised, a security issuing bylaw will be brought forward for approval. The term of debt issuance under the loan authorization will be 30 years.

CONCLUSION

The current requisition capacity of Bylaw No. 3712 is fully committed to approved initiatives. New initiatives and resourcing will require an establishing bylaw amendment and a new loan authorization bylaw. Both bylaws require Inspector of Municipalities approval and elector assent. If the recommendations within this staff report are approved, staff will seek consent on behalf of electors in the municipalities and will undertake an AAP for the electoral areas.

As part of continuing to advance efforts related to the FHPP, staff have been actively exploring a range of partnerships related to acquiring and preserving NOAH, acquiring lands on or near transit corridors, working through the CRHC to acquire and/or advance affordable housing projects, scoping a rural housing program, working in partnership with the CRHD on complex-care housing, and looking to longer-term partnership opportunities with senior levels of government.

The ability of the CRD to demonstrate a willingness to invest into prospective partnerships will significantly advance these exploratory discussions. Debt will not be incurred, nor requisition increased, until approved on a specific project or through the annual service planning and financial planning processes.

RECOMMENDATION

The Hospitals and Housing Committee recommends to the Capital Regional District Board:

1. That Bylaw No. 4551, “Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010, Amendment Bylaw No. 2, 2023”, be introduced, read a first, second, and third time;
2. That Bylaw No. 4552, “Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023”, be introduced, read a first, second, and third time; and,

3. That participating area approval for Bylaws No. 4551 and No. 4552 in the municipalities be obtained via council consent on behalf of electors, and by alternative approval process in the electoral areas, and if successful, that staff provide the bylaws to the Inspector of Municipalities for approval.

Submitted by:	Don Elliott, MUP, BA, Senior Manager, Regional Housing
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENTS:

- Appendix A: Bylaw No. 3712, "Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010"
- Appendix B: Staff Report: Capital Regional District Land Banking and Housing Land Acquisition Financing, March 1, 2023
- Appendix C: Bylaw No. 4551, "Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010, Amendment Bylaw No. 2, 2023"
- Appendix D: Bylaw No. 4552, " Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023"
- Appendix E: Summary: Homes for People: An action plan to meet the challenges of today and deliver more homes for people, faster

**CAPITAL REGIONAL DISTRICT
BYLAW NO. 3712**

**A BYLAW TO CONVERT THE AUTHORITY FOR LAND ASSEMBLY, HOUSING AND LAND
BANKING TO AN ESTABLISHING BYLAW FOR LAND ASSEMBLY, HOUSING AND LAND BANKING**

WHEREAS:

- A. By Supplementary Letters Patent, Division XII dated July 25, 1974, as amended by further Supplementary Letters Patent, the Capital Regional District was granted the function of Land Assembly, Housing and Land Banking which included the power to undertake land assembly for the purpose of housing, either public or private and, public housing, pursuant to the provisions of the National Housing Act, the Municipal Act of the Province of British Columbia, the Housing Act of British Columbia, and other legislations of the Province of British Columbia pertaining to land assembly and, public housing, as if the regional district were a municipality;
- B. The Board of the Capital Regional District wished to exercise the function granted to it by the Letters Patent in accordance with Part 24 of the Local Government Act subject to all of the terms and conditions contained in the Letters Patent and including all the powers granted by the Letters Patent within all member municipalities and electoral areas.
- C. The Board of the Capital Regional District wished to proceed under section 774.2 of the Local Government Act and convert the service to a service exercised under the authority of a bylaw for the Regional District by bylaw under sections 774.2(3) and 796 of the Local Government Act;
- D. The Board of the Capital Regional District has obtained the consent on behalf of the electors under section 801.4 and 801.5 of the Local Government Act.

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

1. Service

- a) The service established by this Bylaw is the conversion of the Authority for Land Assembly, Housing and Land Banking to an Establishment Bylaw for Land Assembly, Housing and Land Banking and includes:
 - i) The power to undertake land assembly for the purpose of housing, either public or private, and public housing;
 - ii) Authorizing the Regional Board to create one or more corporations to undertake land assembly for the purpose of housing, either public or private and, public housing;
 - iii) Authorizing the Regional Board to act as a guarantor for one or more corporations established under ii) above;
 - iv) Authorizing the Regional Board to borrow on behalf of the service or for corporations established under ii) above;
 - v) Authorizing the Regional Board to participate in any Provincial or Federal government or related agencies' housing program as if the Capital Regional District were a municipality;
 - vi) Authorizing the Regional Board to enter into housing-related agreements and housing agreements for any duration, pursuant to the provisions of the Local Government Act;

(BL 4326)

2. Boundaries

The boundaries of the service are the boundaries of the Capital Regional District.

3. Participating Area

The participating areas of the service include all municipalities and electoral areas of the Capital Regional District.

4. Cost Recovery and Apportionment of Costs

The annual costs for the service may be recovered by one or more of the following:

- a) Property value taxes imposed in accordance with Division 4.3 or Part 24 of the Local Government Act;
- b) Fees and charges imposed under section 363 of the Local Government Act;
- c) Revenues raised by other means authorized by the Local Government Act or another Act;
- d) Revenues received by agreement, enterprise, gift, grant or otherwise.

5. Reporting

The Regional Board shall establish operating and financing reporting requirements for any and all corporations as established under Section 1 of this bylaw.

6. Maximum Requisition

~~In accordance with 800.1(1)(e) of the Local Government Act, the maximum amount that may be requisitioned for the cost of the Service is the greater of:~~

- ~~a) Two million four hundred twenty three dollars (\$2,423,000);~~
- ~~b) A property value tax rate of \$.031 per one thousand (\$1,000) dollars that, when applied to the net taxable value of land and improvements in the Service Area, will yield the maximum amount that may be requisitioned for the Service.~~

In accordance with Section 339(1)(e) of the Local Government Act, the maximum amount that may be requisitioned for the cost of the Service is the greater of:

- a) Eleven million five hundred thousand dollars (\$11,500,000); or
- b) A property value tax rate of \$0.062 per one thousand (\$1,000) dollars that, when applied to the net taxable value of land and improvements in the Service Area, will yield the maximum amount that may be requisitioned for the Service.

(BL 4551)

7. Citation

This Bylaw may be cited as the "Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010".

CONSENTED TO by two-thirds of the councils of the Municipalities of Victoria, Saanich, Esquimalt, Oak Bay, Sidney, North Saanich, Central Saanich, View Royal, Highlands, Colwood, Langford, Metchosin, Sooke, and the Directors of the Electoral Areas of Juan de Fuca, Salt Spring Island and the Southern Gulf Islands.

READ A FIRST TIME THIS	14 th	day of	July	2010
READ A SECOND TIME THIS	14 th	day of	July	2010
READ A THIRD TIME THIS	14 th	day of	July	2010
APPROVED BY THE INSPECTOR OF MUNICIPALITIES	27 th	day of	October	2010
ADOPTED THIS	10 th	day of	November	2010

Original signed by Geoff Young
CHAIR

Original signed by Sheila Norton
CORPORATE OFFICER

FILED WITH THE INSPECTOR OF MUNICIPALITIES THIS 17th day of November 2010

**REPORT TO HOSPITALS AND HOUSING COMMITTEE
MEETING OF WEDNESDAY, MARCH 01, 2023**

SUBJECT **Capital Regional District Land Banking and Housing Land Acquisition Financing**

ISSUE SUMMARY

To report on options to fund land acquisitions for affordable housing.

BACKGROUND

On September 21, 2022, the Capital Regional District (CRD) Board passed a motion directing staff *to report back on options for increasing funding for land acquisition for housing*.

On July 13, 2022, the Board directed staff to proceed on priorities identified in the *Future Housing Priorities and Partnerships* report, which included land acquisition for affordable housing.

Land values in the capital region continue to appreciate annually, increasing economic barriers to develop affordable housing. Front loading land acquisition can mitigate downstream costs by leveraging the time value of land, enabling greater flexibility to deliver more affordable housing.

Since receiving Board direction, staff have begun exploring the possibility of establishing an acquisition fund with the intention of working collaboratively with other levels of government to preserve existing Naturally Occurring Affordable Housing (NOAH). Staff are also seeking to acquire land that provide “shovel ready” development opportunities or could be held for future residential development.

Through the remainder of 2023, staff will continue to advance a range of activities including the exploration of funding alternatives, business cases, eligibility criteria, roles and responsibilities of potential funding partners and plans for monitoring and reporting as well as other related activities. Once complete, staff will report back to the Hospital and Housing Committee for direction.

This information report focuses on options to fund land acquisition for housing purposes and is intended to support continued exploration of a potential acquisition fund that is still under development.

IMPLICATIONS

Analysis

Authority

Under Bylaw No. 3712, the Land Banking and Housing (LBH) Service (Service No. 1.310) has authority to acquire and assemble land for the purpose of housing. The existing service establishment bylaw currently has a maximum requisition limit (based on property assessment values) and has an existing loan authorization bylaw. The borrowing limit currently authorized is \$35 million and is entirely committed to the existing program approved in the service and financial

plans. Incremental commitments would require service establishment amendments and a new loan authorization bylaw. Regional cost apportionment for this service is based on property assessments.

Under Bylaw No. 3266, the Regional Housing and Trust (RHTF) Service (Service No. 1.311) has authority to raise up to \$1 million and contribute those funds to projects that include funds from other partners. The existing cost apportionment is 50% property assessments and 50% population. Additionally, there is an option for a participant to voluntarily increase their contribution. The service currently has sub-regional participation consisting of 11 municipalities and two electoral areas. The available capacity within this service is limited to the maximum requisition of \$1 million, has no borrowing authority and is not authorized to directly acquire or hold property. Its purpose is to act in the limited capacity as a contributor, assisting with the acquisition and pursuit of affordable housing projects.

The Capital Regional Housing Corporation (CRHC) is a wholly owned not-for-profit organization of the CRD providing affordable housing in the region. The CRHC is also able to finance land purchases for the purpose of developing and operating affordable housing, however, the CRHC has limited borrowing and revenue capacity based on the inherent operating model.

Economic Indicators

While interest rates and the cost of borrowing are increasing and subsequently translating to higher costs, there has been an offsetting impact on real estate valuation in the region. Additionally, domestic interest rate forecasts are signaling stabilization in the coming year. With local demand continuing to show year-over-year increases in real estate values, analysis supports asset value growth net of financing costs.

Capacity

The LBH service can increase requisition regionally to increase funding for land acquisition. Requisition funding can be used to pay cash or to service debt borrowed for acquisitions. Borrowing can increase the amount of purchases through leverage and is advantageous when appreciation exceeds the cost of debt.

Two alternatives (listed below) simulate scenarios to increase funding for acquisition where each is incremental to existing program commitments.

Alternative 1 considers requisition to fund acquisitions directly. Paying cash provides immediate funding for acquisitions or to be set aside in an acquisition fund. Table 1 below provides estimated impact of increasing requisition by \$0.5 million, \$1 million and \$5 million:

Table 1: Revenue Implications – Cash for Acquisitions

Description	2023 Financial Plan	Scenario					
		A		B		C	
LBH \$ Requisition	\$1.4 million	+\$0.5 million		+\$1.0 million		+\$5.0 million	
LBH Change per Avg HH	\$7	+\$3	+34%	+\$5	+68%	+\$26	+338%
Total CRD Cost/Avg HH	\$509	\$512	+0.6%	\$514	+1%	\$535	+5%

Alternative 2 considers requisition to fund acquisitions by repaying debt over time. Table 2 shows total principal available with the same increased requisition funding as considered in Table 1.

Table 2: Revenue Implications – Borrowing for Acquisitions

Description	2023 Financial Plan	Scenario					
		A		B		C	
LBH Borrowing		\$8.5 million		\$20 million		\$85 million	
LBH \$ Requisition	\$1.4 million	+\$0.5 million		+\$1.0 million		+\$5.0 million	
LBH Change per Avg HH	\$7	+\$3	+34%	+\$5	+68%	+\$26	+338%
Total CRD Cost/Avg HH	\$509	\$512	+0.6%	\$514	+1%	\$535	+5%

Revenue implications in Table 1 and Table 2 indicate a general impact on revenue and borrowing capacity only, they do not represent acquisition cost estimates and do not reflect size and scale of an acquisition program. These estimates can be used by Committee in considering appropriate affordable housing strategies. A report addressing program development will be brought back to a future Committee meeting.

CONCLUSION

On September 21, 2022, the CRD Board passed a motion directing staff to report back on options for increasing funding for land acquisition for affordable housing. On July 13, 2022, the Board directed staff to proceed on priorities as identified in the *Future Housing Priorities and Partnerships* report, which included land acquisition for affordable housing. This information report focuses on options to fund land acquisition for housing purposes and is intended to support the acquisition fund currently under development. An increase to funding for land acquisition, beyond

the existing revenue and authorized capacity already committed, would require a service establishment bylaw amendment and potentially the approval of a new loan authorization.

RECOMMENDATION

There is no recommendation. This report is for information only.

Submitted by:	Rianna Lachance, BCom, CPA, CA, Senior Manager, Financial Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

CAPITAL REGIONAL DISTRICT

BYLAW NO. 4551

**A BYLAW TO AMEND THE LAND ASSEMBLY, HOUSING AND LAND BANKING
SERVICE ESTABLISHMENT BYLAW NO. 1, 2010**

WHEREAS:

- A. By Supplementary Letters Patent, Division XII dated July 25, 1974, as amended by further Supplementary Letters Patent, the Capital Regional District was granted the function of Land Assembly, Housing and Land Banking which included the power to undertake land assembly for the purpose of housing, either public or private and, public housing pursuant to the provisions of the *National Housing Act*, the *Municipal Act*, the *Housing Act*, and other legislation pertaining to land assembly and public housing, as if the regional district were a municipality;
- B. Under Bylaw No. 3712, Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010, the Capital Regional District converted this to a service under the *Local Government Act* in all member municipalities and electoral areas (the "Service");
- C. The Board desires to increase the maximum requisition, in order to implement housing initiatives in the Capital Regional District, and Bylaw No. 4552, "Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023", details anticipated borrowing to be supported by the increased requisition;
- D. Under Sections 345 and 346 of the *Local Government Act*, participating area approval in the municipalities shall be obtained by consent on behalf and in the electoral areas by Alternative Approval Process; and
- E. The approval of the Inspector of Municipalities is required under Section 403 of the *Local Government Act*.

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

- 1. Bylaw No. 3712, "Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010" is hereby amended by replacing Section 6, Maximum Requisition, in its entirety as follows:

In accordance with Section 339(1)(e) of the *Local Government Act*, the maximum amount that may be requisitioned for the cost of the Service is the greater of:

- a) Eleven million five hundred thousand dollars (\$11,500,000); or
- b) A property value tax rate of \$0.062 per one thousand (\$1,000) dollars that, when applied to the net taxable value of land and improvements in

the Service Area, will yield the maximum amount that may be requisitioned for the Service.

2. This Bylaw may be cited as the "Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010, Amendment Bylaw No. 2, 2023".

READ A FIRST TIME THIS	___ th	day of	_____	2023
READ A SECOND TIME THIS	___ th	day of	_____	2023
READ A THIRD TIME THIS	___ th	day of	_____	2023
ADOPTED BY THE INSPECTOR OF MUNICIPALITIES THIS	___ th	day of	_____	2023
RECEIVED THE ASSENT OF THE ELECTORS THIS	___ th	day of	_____	2023
ADOPTED THIS	___ th	day of	_____	2023

CHAIR

CORPORATE OFFICER

CAPITAL REGIONAL DISTRICT

BYLAW NO. 4552

**A BYLAW TO AUTHORIZE THE BORROWING OF EIGHTY-FIVE MILLION DOLLARS
(\$85,000,000) FOR FUTURE HOUSING PARTNERSHIPS**

WHEREAS:

- A. By Supplementary Letters Patent, Division XII dated July 25, 1974, as amended by further Supplementary Letters Patent, the Capital Regional District was granted the function of Land Assembly, Housing and Land Banking which included the power to undertake land assembly for the purpose of housing, either public or private and, public housing pursuant to the provisions of the *National Housing Act*, the *Municipal Act*, the *Housing Act*, and other legislation pertaining to land assembly and public housing, as if the regional district were a municipality;
- B. Under Bylaw No. 3712, Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010, the Capital Regional District converted this to a service under the *Local Government Act* in all member municipalities and electoral areas (the "Service");
- C. It is deemed desirable to borrow additional funds in the amount of Eighty-Five Million Dollars (\$85,000,000) for the Service, which is the amount of debt intended to be authorized under this Bylaw, for use to support future housing partnership opportunities and advance the CRD Board priority of increasing supply of affordable, inclusive and adequate housing in the region;
- D. It is proposed that the financing is to be undertaken by the Municipal Finance Authority of British Columbia pursuant to proposed agreements between it and the CRD;
- E. Pursuant to Section 407 of the *Local Government Act*, participating area approval is required and shall be obtained in the municipalities by consent on behalf and in the electoral areas by Alternative Approval Process under Sections 345 and 346 of the *Local Government Act*; and,
- F. The approval of the Inspector of Municipalities is required under Section 403 of the *Local Government Act*.

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

- 1. The Board is hereby empowered and authorized to borrow upon the credit of the Capital Regional District a sum not exceeding Eighty-Five Million Dollars (\$85,000,000) for the purposes of Land Assembly, Housing and Land Banking, including to support future housing partnership opportunities and to increase supply of affordable, inclusive and adequate housing in the region, and do all things necessary in connection therewith and without limiting the generality of the forgoing, 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 Land Assembly, Housing and Land Banking Service.

2. This Bylaw may be cited as the "Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023".

READ A FIRST TIME THIS ___th day of _____ 2023

READ A SECOND TIME THIS ___th day of _____ 2023

READ A THIRD TIME THIS ___th day of _____ 2023

ADOPTED BY THE INSPECTOR OF
MUNICIPALITIES THIS ___th day of _____ 2023

RECEIVED THE ASSENT OF THE
ELECTORS THIS ___th day of _____ 2023

ADOPTED THIS ___th day of _____ 2023

CHAIR

CORPORATE OFFICER

Summary Homes for People

HOMES FOR PEOPLE: An action plan to meet the challenges of today and deliver more homes for people, faster

“A fast-growing population combined with the effects of the pandemic on the housing market means we have to do more – a lot more – to ensure every person and family in B.C. has a home that they can afford and meets their needs.”

- Home for People (p. 4)

Homes for People is built on four priorities that provide a range of potential partnership opportunities that relate directly to the CRD's approved 2023-2026 Corporate Plan.

PILLAR	NOTES
Unlocking more homes faster	<ul style="list-style-type: none"> • More small scale, multi-unit housing (townhomes, duplexes, and triplexes) • Make it easier and more affordable for people to rent out secondary/basement suites – CRD: Part of work related to SGI Housing Strategy & Rural/Remote – Could be expanded to support broader regional efforts. Starting in early 2024, homeowners can access a 5-year forgivable loan up to 50% of the cost of renovations to a max of \$40K. CRD may be able to administer these through the Housing Agreement Program. • Work with municipalities to make sure more homes are built in communities, faster • Speed up permitting and approvals to get homes built faster • Become a North American leader in digital permitting • Deliver more homes and services near transit – CRD/CRHC: Part of work related to acquisition stream of Housing Priorities & Partnership. Province is targeting 10,000 units at or near transit over 10-15 years. • Launch BC Builds – A new program dedicated to delivering homes for middle-income people – CRD/CHRC: Could apply and/or look to increase stock depending on program design/eligibility parameters. • Expand B.C.'s construction workforce and spur innovation • Explore new ways to get more rentals built – CRD/CRHC: Partnership opportunities under the Housing Priorities & Partnerships. • Build more homes with mass timber
Delivering better, more affordable homes	<ul style="list-style-type: none"> • Thousands more social housing units – CRD/CRHC: Can increase activity subject to available funds & capacity. Province working to create 6,000 more subsidized rental home through expanded CHF. Province entered MOU with Metro Vancouver Housing Corp. • Deliver 4,000 additional on-campus rooms for post-secondary students • End discriminatory age and rental restrictions in stratas

	<ul style="list-style-type: none"> • Protect affordable rental units through \$500 million fund – CRD/CRHC: Look to partner under the acquisition stream of the Housing Priorities & Partnerships work. • Create more housing through partnerships with Indigenous communities – CRD/CRHC: Areas of opportunity include RHI though CRD and housing operation support though CRHC. • Revitalize co-op housing
Supporting those with the greatest housing need	<ul style="list-style-type: none"> • New income tested renter's tax credit • More homes to support people experiencing homelessness – CRD: Continued support though RHI in partnership with Gov of Canada. CRHD: Efforts to work in support of Complex Care. Province is targeting 240 additional Complex Care beds in 12 locations across BC. • New actions to close encampments • Partner to redevelop and replace single room occupancy units in DTES • Revitalize and expand aging BC Housing properties • More Rent Bank support to help tenants in crisis keep their homes – CRD: Continued support though Reaching Home Program.
Creating a housing market for people, not speculators	<ul style="list-style-type: none"> • Implement a "Flipping Tax" • Stricter enforcement on short-term rentals • Solve renter/landlord disputes faster and get tougher on bad-faith evictions • Turn more empty units into homes by expanding the Speculation and Vacancy Tax to additional areas • Crack down on criminal activity in real estate • Offer more protections for renters displaced by redevelopment – CRHC: Already included within the CRHC policy.

**REPORT TO CAPITAL REGIONAL DISTRICT BOARD
MEETING OF WEDNESDAY, JUNE 14, 2023**

SUBJECT **Bylaw No. 4552: Land Assembly, Housing and Land Banking Loan Authorization - Revision**

ISSUE SUMMARY

To revise Bylaw No. 4552, “Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023” to include a maximum term provision.

BACKGROUND

On May 10, 2023, Bylaw No. 4552, “Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023”, was read three times. This Bylaw authorized an increased maximum requisition of \$85 million for supporting future housing partnership opportunities and to further the CRD Board priority of increasing the supply of affordable, inclusive, and adequate housing in the region.

As part of the legislative process, it was submitted to the Inspector of Municipalities for review. The Province indicated the maximum borrowing term was missing from the Bylaw. A loan authorization bylaw must contain the maximum term for which the debentures may be issued, and requested Bylaw No. 4552 be amended to include the maximum term.

ALTERNATIVES

Alternative 1

1. That third reading of Bylaw No. 4552, “Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023”, be rescinded;
2. That Bylaw No. 4552 be amended as follows:
 - a. By renumbering section 2 to 3;
 - b. By inserting the following section in numerical order:

“2. The maximum term for which debentures may be issued to secure the debt intended to be created by this bylaw is 30 years.”
3. That Bylaw No. 4552 be read a third time as amended; and
4. That Bylaw No. 4552 as amended be referred to the Inspector of Municipalities.

Alternative 2

That this matter be referred to staff for further information.

IMPLICATIONS

The borrowing term is a legislative requirement for loan authorization bylaws. Without amending the bylaw to include the maximum borrowing term, the Inspector of Municipalities will not be able to approve the bylaw. A minor oversight in selecting the correct bylaw template caused the issue which can be easily fixed with the amendment noted above. This will not affect participant

approval timelines in any way.

CONCLUSION

Bylaw No. 4552 must be amended to include the maximum term of the loan provision as required by legislation.

RECOMMENDATION

1. That third reading of Bylaw No. 4552, “Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023”, be rescinded;
2. That Bylaw No. 4552 be amended as follows:
 - a. By renumbering section 2 to 3;
 - b. By inserting the following section in numerical order:

“2. The maximum term for which debentures may be issued to secure the debt intended to be created by this bylaw is 30 years.”
3. That Bylaw No. 4552 be read a third time as amended; and
4. That Bylaw No. 4552 as amended by referred to the Inspector of Municipalities.

Submitted by:	Steven N. Carey, B.Sc, J.D., Senior Manager, Legal Services & Risk Management
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
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, “Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023” (as amended)

Appendix B: Bylaw No. 4552 (Redlined)

CAPITAL REGIONAL DISTRICT

BYLAW NO. 4552

**A BYLAW TO AUTHORIZE THE BORROWING OF EIGHTY-FIVE MILLION DOLLARS
 (\$85,000,000) FOR FUTURE HOUSING PARTNERSHIPS**

WHEREAS:

- A. By Supplementary Letters Patent, Division XII dated July 25, 1974, as amended by further Supplementary Letters Patent, the Capital Regional District was granted the function of Land Assembly, Housing and Land Banking which included the power to undertake land assembly for the purpose of housing, either public or private and, public housing pursuant to the provisions of the *National Housing Act*, the *Municipal Act*, the *Housing Act*, and other legislation pertaining to land assembly and public housing, as if the regional district were a municipality;
- B. Under Bylaw No. 3712, Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010, the Capital Regional District converted this to a service under the *Local Government Act* in all member municipalities and electoral areas (the "Service");
- C. It is deemed desirable to borrow additional funds in the amount of Eighty-Five Million Dollars (\$85,000,000) for the Service, which is the amount of debt intended to be authorized under this Bylaw, for use to support future housing partnership opportunities and advance the CRD Board priority of increasing supply of affordable, inclusive and adequate housing in the region;
- D. It is proposed that the financing is to be undertaken by the Municipal Finance Authority of British Columbia pursuant to proposed agreements between it and the CRD;
- E. Pursuant to Section 407 of the *Local Government Act*, participating area approval is required and shall be obtained in the municipalities by consent on behalf and in the electoral areas by Alternative Approval Process under Sections 345 and 346 of the *Local Government Act*; and,
- F. The approval of the Inspector of Municipalities is required under Section 403 of the *Local Government Act*.

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

- 1. The Board is hereby empowered and authorized to borrow upon the credit of the Capital Regional District a sum not exceeding Eighty-Five Million Dollars (\$85,000,000) for the purposes of Land Assembly, Housing and Land Banking, including to support future housing partnership opportunities and to increase supply of affordable, inclusive and adequate housing in the region, and do all things necessary in connection therewith and without limiting the generality of the foregoing, 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 Land Assembly, Housing and Land Banking Service.

2. The maximum term for which debentures may be issued to secure the debt intended to be created by this bylaw is 30 years.
3. This Bylaw may be cited as the "Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023".

READ A FIRST TIME THIS ___th day of _____ 2023

READ A SECOND TIME THIS ___th day of _____ 2023

READ A THIRD TIME THIS ___th day of _____ 2023

ADOPTED BY THE INSPECTOR OF
MUNICIPALITIES THIS ___th day of _____ 2023

RECEIVED THE ASSENT OF THE
ELECTORS THIS ___th day of _____ 2023

ADOPTED THIS ___th day of _____ 2023

CHAIR

CORPORATE OFFICER

APPENDIX B

CAPITAL REGIONAL DISTRICT

BYLAW NO. 4552

**A BYLAW TO AUTHORIZE THE BORROWING OF EIGHTY-FIVE MILLION DOLLARS
(\$85,000,000) FOR FUTURE HOUSING PARTNERSHIPS**

WHEREAS:

- A. By Supplementary Letters Patent, Division XII dated July 25, 1974, as amended by further Supplementary Letters Patent, the Capital Regional District was granted the function of Land Assembly, Housing and Land Banking which included the power to undertake land assembly for the purpose of housing, either public or private and, public housing pursuant to the provisions of the *National Housing Act*, the *Municipal Act*, the *Housing Act*, and other legislation pertaining to land assembly and public housing, as if the regional district were a municipality;
- B. Under Bylaw No. 3712, Land Assembly, Housing and Land Banking Service Establishment Bylaw No. 1, 2010, the Capital Regional District converted this to a service under the *Local Government Act* in all member municipalities and electoral areas (the "Service");
- C. It is deemed desirable to borrow additional funds in the amount of Eighty-Five Million Dollars (\$85,000,000) for the Service, which is the amount of debt intended to be authorized under this Bylaw, for use to support future housing partnership opportunities and advance the CRD Board priority of increasing supply of affordable, inclusive and adequate housing in the region;
- D. It is proposed that the financing is to be undertaken by the Municipal Finance Authority of British Columbia pursuant to proposed agreements between it and the CRD;
- E. Pursuant to Section 407 of the *Local Government Act*, participating area approval is required and shall be obtained in the municipalities by consent on behalf and in the electoral areas by Alternative Approval Process under Sections 345 and 346 of the *Local Government Act*; and,
- F. The approval of the Inspector of Municipalities is required under Section 403 of the *Local Government Act*.

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

- 1. The Board is hereby empowered and authorized to borrow upon the credit of the Capital Regional District a sum not exceeding Eighty-Five Million Dollars (\$85,000,000) for the purposes of Land Assembly, Housing and Land Banking, including to support future housing partnership opportunities and to increase supply of affordable, inclusive and adequate housing in the region, and do all things necessary in connection therewith and without limiting the generality of the foregoing, 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 Land Assembly, Housing and Land Banking Service.

2. The maximum term for which debentures may be issued to secure the debt intended to be created by this bylaw is 30 years.

Formatted: Justified

~~2.3.~~ This Bylaw may be cited as the "Land Assembly, Housing and Land Banking Loan Authorization Bylaw No. 3, 2023".

READ A FIRST TIME THIS	__ th	day of	_____	2023
READ A SECOND TIME THIS	__ th	day of	_____	2023
READ A THIRD TIME THIS	__ th	day of	_____	2023
ADOPTED BY THE INSPECTOR OF MUNICIPALITIES THIS	__ th	day of	_____	2023
RECEIVED THE ASSENT OF THE ELECTORS THIS	__ th	day of	_____	2023
ADOPTED THIS	__ th	day of	_____	2023

CHAIR

CORPORATE OFFICER