



September 30, 2022

Ref: 271231

Kristen Morley
Corporate Officer and General Manager, Corporate Services
Capital Regional District
Email: kmorley@crd.bc.ca

Dear Kristen Morley:

Thank you for your letters of March 2 and September 26, 2022, regarding funding for a proposed governance and services study of Magic Lake Estates on North Pender Island. Please accept my apologies for the delay in replying.

I understand that the Magic Lake Property Owners Society has expressed concerns about several issues, such as the quality and signage of roads, rising property assessments, and the ability to represent the community in dealing with organizations such as the RCMP and BC Ferries – many of these issues are multi-faceted and involve provincial and federal jurisdictions, that neither a governance study or a change in local structure may alleviate. At the same time, I appreciate the challenges that can arise from the multi-jurisdictional overlap in the southern Gulf Islands, where responsibility is shared between the local service providers, the Capital Regional District (CRD), provincial Ministries such as the Ministry of Transportation and Infrastructure, and the Islands Trust.

In your letter, you noted that, while the CRD supports studying governance for Magic Lake Estates but also expressed it is not in favour of pursuing incorporation as an outcome of a governance study. It is important to note that a governance study does not necessarily lead to an incorporation study. The purpose of a governance study is to educate residents on who delivers which services, compile concerns in a community and identify possible governance alternatives. Community characteristics that tend to support incorporation – include a diverse property tax base (e.g., combination of residential, business and industrial properties), a growing population and delivery of a robust set of services that demonstrate that residents are willing to pay for the service they desire. It is unclear how incorporation will alleviate challenges faced by residents of Magic Lake Estates such as increased property assessments and/or ferry service.

Also, a governance study can take many forms ranging from a community issues assessment, which examines the concerns of residents through various ways of engagement, to a traditional governance study, which contains a comprehensive section on service delivery, including who does what and opportunity for engagement of residents. It is important that a community undergoing a governance study appreciates the time and effort that is required on behalf of the community and local government.

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We are also communicating with the Magic Lake Property Owners' Society that in order to better assess the purpose and scope of a proposed study, information on what action has been taken to mitigate the concerns of the Magic Lake community with the CRD and other jurisdictions would be helpful for the ministry to receive. Other information on the property ownership within the community and the specific services provided by the CRD or other providers would also be useful. By understanding current service delivery and governance pressures the Ministry of Municipal Affairs will be better placed to evaluate a request for a governance study, should the incoming CRD board confirm their support.

Given the upcoming local government elections it would also be useful if the new board could confirm support for a governance study. If it does, it would also be helpful to understand what form of study is supported.

In the meantime, staff at the Ministry of Municipal Affairs will be available to provide guidance where it may be needed. If you have any questions, you can contact Karen Lynch, acting Director of Governance Structures, at Karen.Lynch@gov.bc.ca, or at 778-698-3229.

Thank you again for writing.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. Faganello', with a stylized flourish at the end.

Tara Faganello

Assistant Deputy Minister, Local Government Division

pc. Robert Coulson, President, Magic Lake Property Owners' Society
Paul Brent, Electoral Area Director, Southern Gulf Islands
Adam Olsen, MLA, Saanich North and the Islands
Simon Rasmussen, Senior Planning Analyst, Governance and Structure Branch