THE CORPORATION OF THE CITY OF COURTENAY

NOTICE OF
COMMITTEE OF THE WHOLE MEETING

DATE: **Monday, October 28, 2013**
PLACE: City Hall Council Chambers
TIME: 4:00 p.m.

<u>AGENDA</u>

<u>STRATEGIC PLANNING</u>

THE CORPORATION OF THE CITY OF COURTENAY
STAFF REPORT TO COMMITTEE OF THE WHOLE

To: Mayor and Council

From: Chief Administrative Officer

Subject: Council Adoption of 2013 Strategic Priorities

File No.: 2380-20

Date: October 28, 2013

PURPOSE:

To receive the final 2013 Strategic Priorities Report, and to adopt the 'Strategic Priorities Chart & Priority Work Program'.

CAO RECOMMENDATIONS:

That based on the October 28th 2013 staff report, Council adopts the *'Strategic Priorities Chart & Priority Work Program'* for continuous use at each Council meeting, tri-annual reviews (6, 9, 12 months) and annual Priority Update; and

That Council requests that the CAO schedule an annual Priority Setting Update session.

Respectfully submitted,

David Allen
Chief Administrative Officer

BACKGROUND:

Council recently enlisted the services of Dr. Gordon McIntosh, a specialist in local government strategic facilitation, to facilitate a priority setting workshop held on September 3rd and 4th 2013. This workshop included members of Council, and the senior management team in a strategic priority setting process to help determine how to allocate limited staff time and resources. The outcomes of the workshop are outlined in the attached, "City of Courtenay Strategic Priorities Report 2013".

For Council reference, in 2003 Council adopted "Committee of the Whole Delegation Bylaw No. 2271". This bylaw delegates many of Council's powers to Committee of the Whole; therefore Council is permitted to adopt the 'Strategic Priorities Chart & Priority Work Program' at this meeting.

DISCUSSION:

The intent of the 2013 Strategic Priorities Report is to establish, support and maintain Council's strategic efforts. As outlined in the report,

"Strategic Planning is a process to define an organization's direction, determine long range planning goals and guide decision-making. Most strategic plans address high level initiatives and overarching goals. Metaphorically, a strategic plan is an organizational roadmap."

Strategic priority setting is used to narrow the numerous choices facing local government in an environment of limited human and financial resources. Once the strategic priorities have been established, Administration and staff has sufficient direction to prepare and include these priorities in the annual corporate work plan, and financial plan.

It is important to note that the Strategic Priority Work Program (as outlined in pages 15 – 18 of the 2013 Strategic Priorities Report) is a high-level work plan that is used to guide the preparation of a much more detailed, project-based Corporate Work Plan.

The Corporate Work Plan includes a number of other projects, programs, and activities many of which are responsibilities that are required by legislation. Like the tip of an iceberg, there are a great many of these statutory activities and services that are not reflected in the Strategic Priorities Chart & Priority Work Program.

Like other municipalities in BC, the City of Courtenay provides a number of essential services; water, sewer, policing, fire protection, roads, and bylaw enforcement are examples. The City also provides and supports important 'quality of life' services, like recreation, parks, and arts & culture.

FINANCIAL IMPLICATIONS:

Once adopted by Council, Staff will incorporate the Strategic Priorities Chart & Priority Work Program into the 2014 Corporate Work Plan as well as the draft 2014 Financial Plan.

ADMINISTRATIVE IMPLICATIONS:

Staff are currently developing work plans for all departments. As well, staff are in the process of developing an intranet-based corporate work plan and time tracking program that will identify and report out on corporate capacity and performance. Implementation is scheduled for early 2014.

STRATEGIC PLAN REFERENCE:

Once adopted by Council, the Strategic Priorities Chart & Priority Work Program will support the current 2012 – 2014 strategic plan by outlining specific Council Priorities, Operational Strategies, and preliminary timings. Definitive timings will be determined through the Corporate Strategic Work Plan.

OFFICIAL COMMUNITY PLAN REFERENCE:

The Strategic Priorities Chart & Priority Work Program aligns with the City's Official Community Plan.

The Official Community Plan is in part *"a statement of the City's long term vision of the community for the future. It establishes a strategy through policies that guide Council in their decision making role....the plan will strengthen the City as a viable and liveable community.....all bylaws and works enacted shall be consistent with the Official Community Plan."*

REGIONAL GROWTH STRATEGY REFERENCE:

No specific reference; however it is Council's intent to consistently follow the Regional Growth Strategy (RGS). Nothing in the Strategic Priorities and Priority Work Program conflicts with the RGS.

CITIZEN/PUBLIC ENGAGEMENT:

As this is a public document, citizens will have the opportunity to review the document, comment as needed, and to follow its progress through regular reporting and updating.

OPTIONS:

1. Adopt the Strategic Priorities Chart & Priority Work Program as presented.
2. Amend the Strategic Priorities Chart & Priority Work Program prior to adoption.
3. Do not adopt the Strategic Priorities Chart & Priority Work Program at this time.

Attachment: 2013 Strategic Priorities Report (includes Strategic Priorities Chart & Priority Work Program)

City of Courtenay

Strategic Priorities Report

2013

LGL Institute

Context

Introduction

Strategic Planning is a process to define an organization's direction, determine long range planning goals and guide decision-making. Most strategic plans address high level initiatives and overarching goals. Metaphorically, a strategic plan is an organizational roadmap.

If strategic planning is the roadmap, *Strategic Priority Setting* is the vehicle to reach the destination. In fact, it is a tool to narrow the array of choices facing a local government amidst limited resources.

The City of Courtenay has recently completed land use amendments to its *Official Community Plan* of 2005. This long-range strategy articulates the City's vision, planning principles and sustainability options over the next twenty years.

In addition, the City is guided by four key goals articulated in the *City of Courtenay Strategic Plan 2012-2014*. A key element in both these plans is to develop them in a way that makes sense and is easily translatable and executable. The plans should translate into actions.

To assist Council in this process, the City of Courtenay enlisted the services of Dr. Gordon McIntosh of the Local Government Leadership Institute to facilitate a **Priority Setting Workshop**. Using the goals of the *Strategic Plan* as a roadmap, the outcomes of these September 2013 sessions resulted in specific priorities for Council attention NOW as well as NEXT and LATER as resources become available.

City of Courtenay

The City of Courtenay is located on the central east coast of Vancouver Island. The City was incorporated as a municipality in 1915, has grown to include an area of 3270.97 hectares and is home to 25,000 residents.

The City Council consists of a Mayor and six Councillors elected to a three-year term. The current Council – Mayor Larry Jangula, Councillors Jon Ambler, Bill Anglin, Doug Hillian, Ronna-Rae Leonard, Mannos Theos and Starr Winchester were elected in November of 2011.

As the largest urban municipality in the Comox Valley, Courtenay is the business and cultural hub of the regional district. With the opening of Inland Island Highway and increased domestic air flights over the past decade, Courtenay experiences an ever increasing flow of visitor traffic.

2

Community Vision

Council encourages and relies on the involvement and input of residents and local businesses. Through a consultative process, the community has developed a long-range plan to guide the growth and development of the City over the next 20 years.

The future of Courtenay lies in becoming the most liveable City in the province. This vision for the community includes:

- an inclusive, open and caring community
- commitment to continued excellence
- a strong downtown
- a high level of aesthetic and architectural design
- premier regional centre for arts and culture
- leader in growth and service provision
- centre of commerce for the Comox Valley
- an expanding parks, natural areas and greenways system
- leader in environmental protection
- commitment to service youth and seniors
- support for a viable agricultural economy
- protection of agricultural lands

Community Goals

- Preserve and protect downtown Courtenay as integral part of the community's social and cultural life, its identify and its economy.
- Enhance Courtenay's reputation as the premier regional centre for arts and culture.
- Ensure a high level of aesthetic design in Courtenay

- Move toward greater balance of development between the east and west sides of Courtenay, and maintain downtown as the core of the community.
- Work to have Courtenay recognized as a community that's friendly to walkers and bicycle riders.
- Protect wildlife corridors.
- Identify and protect key areas with parks and open space potential.
- Use energy conservation principles emphasizing nature, sustainability, wildlife habitat protection and support for the agriculture industry in the Valley.
- Adopt "smart growth" policies for sustainable development.
- Preserve the rural context within which the urban area of Courtenay exists.
- Diversify the economy as a model energy-conserving community, value-added forestry, aquaculture, recreation and service to retirees.
- Capitalize on business the airport brings.
- Develop a clear plan for future expansion.
- Work towards greater regional cooperation.
- Enhance current attraction of retirees.
- Employ City resources and influence to foster social equity.
- Develop a strong sense of community through social programming, physical design and planning.

Source: *Official Community Plan (2005 - amended in 2013)*

Process

Strategic Leadership Model
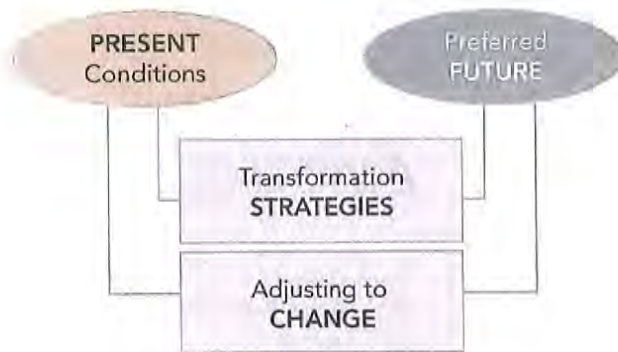
The priority setting process followed the *open systems model* of strategic planning. Beginning with the end in mind, the preferred future is defined and the community vision is revisited. The next step is look at the community's present conditions by highlighting the current issues and discussing opportunities facing Courtenay.

It is the transformation stage where the gap between vision and reality is closed by defining achievable actions and setting priorities. Strategic priority setting steps involve identifying actions, developing strategies and making choices consistent with the City's mandate and available resources.

A final critically important element of the process is adjusting to change. Strategic priorities need to be regularly monitored and adapted to changing external conditions and organization capacity. Once priorities are completed, new ones can take their place. As well, policies and systems must be aligned for successful implementation of strategies.

Vision Check-up

To begin the workshop process, participants discussed what success would look like for Courtenay using five distinct areas of a sustainable community – Economy, Environment, Infrastructure, Social and Governance factors. During the workshop, this framework was utilized to see 'what is working well' (factors that ought to be strengthened) and 'areas for attention' (factors that should be addressed). This framework creates a Vision Checklist that articulates measurable outcomes that can be assessed in quantifiable terms such as amounts or percentages; observable benefits that can be seen or perceived such as feelings and experiences; tangible outputs that are produced such as services and programs delivered to the community.

During the workshop, the checklist was used as a tool to conduct a **Vision Check-up** 'what is working well' (factors that ought to be strengthened) and 'areas for attention' (factors that should be addressed.

Council can utilize this tool to monitor and assess the health and progress of the organization – either internally with staff or externally through public consultation processes. Involving stakeholders allows Council to understand community perspectives from residents, businesses and partners. It causes Council and the organization to think about the big picture not just recent issues, consider external not just internal interests and define measures of success for future analysis of strategic directions and priorities.

A Vision Check-up can be conducted annually as part of Council's Priority Setting process.

4

VISION CHECK-UP		September 2013
EXPECTATIONS	**WHAT WORKS WELL**	**AREAS FOR ATTENTION**
ENVIRONMENT **Human Environment** **Community Aesthetics** **Natural Area Protection** **Environmental Quality** Harmonized Land Use Public Awareness Active Stewardship Watershed Protection	• Water balance • Open space and parks • Green leadership team • Capital works	• Water resource management • Tree protection bylaw • Flood plain management • Cycling infrastructure • Watershed protection • Estuary protection • Noise bylaw • Remediate Brownfields • Dog park • Streetscaping • Road / runway relocation
ECONOMY **Job Creation** **Business Retention** **Business Growth** **Business Attraction** **Community Image** Active Tourism Recreation Destination Viable Downtown Stores Increased Tax Base Increased Living Wage Jobs Diversified Economy Attainable Housing Community Reputation Conference Hosting Tournament Increase Support for Agricultural	• Airpark • Community reputation	• Traffic issues • Filled downtown stores • Clean industry • Living wage • Tourism • EDS role clarity / relationship • Medical education hub • Technology education hub • Seniors service centre • Tournament hosting
INFRASTRUCTURE **Transportation** **Utilities** **Facilities** **Community Systems** **Service Delivery** Safer Streets Climate Change Leadership Quality Water Safe Facilities Well Maintained Buildings Use Best Practices	• Good water • Staff confidence & competence	• Pedestrian bridge • Third crossing • North connector • Reduce greenhouse gases • Capital replacement plan

VISION CHECK-UP		September 2013
EXPECTATIONS	**WHAT WORKS WELL**	**AREAS FOR ATTENTION**
SOCIAL **Arts & Culture** **Support network** **Citizen & Property Safety** **Healthy Lifestyles** **Health Service Access** **Sense of Heritage** Access for All Diversity of Opportunities Volunteer Spirit	• Accessible seniors services • Youth services • Arts/culture events • Paths and trails • Partnerships • Engaged community • Enthusiastic volunteers	• Neighborhood accessibility • Centennial celebrations • Seniors services • Safe, secure downtown • Fire service • Emergency service levels • Livable wages • Social housing • Regionalizing services • Youth / drugs • Maple Pool • Unsightly premises
GOVERNANCE **Good Policies** **Strategic Direction** **Role Clarity** **Agency Liaison** Good Partnerships Community Engagement Transparency Trustworthy Younger Demographic	• Council/staff relations • Collaborative services • Transparency • Employee recognition • Employee retention • Internal communications • Newsletter • Morale	• Municipal partners • Regional District partners • Website • Service level review • Internal communications • External communications • Informed public • City mandate clarity • Infrastructure assessment • Asset management • Issue management • Construction standards • Labour relations • Tracking • Use of technology • Manager's expectations • Public's expectations • Modern processes • Celebrate successes

Issues and Opportunities

Before designing a building, architects survey the landscape – then they bring the client's vision into existence. Following this notion, by surveying the landscape of the community, Council is better prepared to address public expectations and needs. The end result is key strategic topics to be addressed in the priority setting process.

During the September workshop, Council identified a list of current and emerging issues and opportunities facing Courtenay. The issues ranged from aging infrastructure and recreational facilities to recycling and financial management.

LONG LIST					
'C' indicates Council scoring. 'S' indicates staff scoring.					
ISSUE / OPPORTUNITY	**C**	**S**	**ISSUE / OPPORTUNITY**	**C**	**S**
Zero Based Budget			Multiple Housing Projects	9	2
Field Sawmill Site	16		Empowered Organizational Culture		
Public Works Asset Management		39	Up to Date Tools & Bylaws		14
Best Practices		10	RV Trailer Park	6	
Internal Core Service Review	11	8	Celebrate History - 2015 Centennial		11
Regional Services	9	4	Sport Fields and Facilities	2	2
Class VI Tax Structure			Service Standards	9	22
North Connector	30		Estuary Management	16	
Post Secondary Education Hub			Complete Streets	16	5
Public Consultation / Communication		12	Well Informed Electorate		
Bylaw Adjudication		1	Virtual City Hall		4
Downtown Vision	25	9	Comprehensive Land Use Plan		4
Affordable Housing	19	14	Flood Plain Management	5	6
Tax Creep	8		Historical Site		
Public Enquiry Management		3	Soil and Weed Control	5	
Neighbourhood Traffic Calming	2		Modern Technological Processes	2	18
Maple Pool	33	12	Local Dog Park	3	
Intergovernmental Relationships	9		Noise Control	8	5
Construction Standards		19	Sustainable Cultural Funding		5

LONG LIST					
'C' indicates Council scoring. 'S' indicates staff scoring.					
ISSUE / OPPORTUNITY	**C**	**S**	**ISSUE /OPPORTUNITY**	**C**	**S**
Corporate Capacity / Effectiveness		37	DCC Review		
Trail Paving	12	8	Commercial / Residential Interface	8	10
Volunteer Recognition			Adequate Fire Services	6	8
Aging Demographics	6	6	Expanded Use of AIRPARK	9	
HRIS Technology		5	EDS Role Clarity	1	
CIVIC Search Tools	4		Applicant Tracking System		6
Traffic Control	22		Application Process	15	11
Internal Communication		21	Collective Agreement		2
Destination of Choice	1	3	Voter Turnout		
Update Financial Policies			Restore Train Facility		
School Site Multi Facility	5		Greenhouse Gas Reduction		
Employee Recognition			New Emergency Shelter		
Performance Reviews			Organic Collection		1
Yard Expansion		5	Contaminated Site Recording		
Work Safe Core Program		10	Local procurement		
Living Wage	3		Senior Centre Expansion	1	
Social Planner					

This long list of items was scored with both Council and staff choosing their 'top ten' items from the list. The facilitator extracted the overall top ranked items forming a short-list of issues and opportunities (see next page). Some items were ranked higher by Council or staff and some were common to both. It is not uncommon for staff items to be different than Council items. The short list contains Council driven matters and staff-lead items.

SHORT LIST			
ISSUE / OPPORTUNITY	COUNCIL	STAFF	TOTAL
MAPLE POOL	33 - #1	12 - #8	45
Asset Management		39 - #1	39
Organizational Capacity		37 - # 2	37
DOWNTOWN VISION	25 - #3	9	34
AFFORDABLE HOUSING	19 - #5	14 - #7	33
Service Standards	9	22 - #3	31
NORTH CONNECTOR	30 - #2		30
DEVELOPMENT APPLICATION PROCESS	15 - #9	11 - #10	26
TRAFFIC CONTROL 3rd CROSSING	22 - #4		22
COMPLETE STREETS	16 - #6	5	21
Internal Communication		21 - #4	21
Modern Technology	2	18 - #6	20
CORE SERVICES REVIEW	11 - #10	8	19
Public Works Construction Standards		19 - #5	19
ESTUARY MANAGEMENT	16 - #7		16
FIELD SAWMILL SITE	16 - #8		16
Public Consultation		12 - #9	12
BOLD CAPITALS = COUNCIL / STAFF COMMON ITEMS CAPITALS = COUNCIL ITEMS and Title Case = Staff lead items			

Issues and Opportunities to Priorities

ISSUES/OPPORTUNITIES (Long List)

"CRITERIA"

STRATEGIC TOPICS

SHORT TERM PRIORITIES

LONGER TERM DIRECTIONS

STRATEGIC POSSIBILITIES
WORK PROGRAM

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9

Strategic Topics

The Issue and Opportunity Short List was reviewed and discussed. From this discussion, Council developed a list of ten Strategic Topics, which became the focus of the priority setting process. The Strategic Topic list is not the same as the issue short list. There may be items on the short list that are not 'strategic' in nature or several items may fall into a broader strategic category. Council agreed to explore the following strategic topics:

1. Maple Pool
2. Affordable Housing
3. North Connector
4. Downtown Vision
5. Development Application Process
6. Traffic Control - 3rd Crossing
7. Complete Streets
8. Field Sawmill Site
9. Estuary Management
10. Service Capacity
11. Regional Cooperation
12. Asset Management

Seeing the Possibilities

Moving towards something that is desirable, the possibilities are immense. To move from strategic topics to strategic priorities, a four-step process, the **Solution Seeking Model,** was utilized.

Participants began by clarifying the strategic topic, then identifying desired outcomes if the topic was successfully addressed. Next, options or ways to achieve the desired outcome were explored and a 'preferred strategy' was selected.

The solution seeking discussion generated enough information to consider the strategic topics as *strategic possibilities.* This does not make them priorities – yet. There are too many of them given the organization's limited capacity. An organization's capacity box is not readily visible but does have limitations or boundaries. It is useful to look at organizational capacity as a box of balls. If the box is full then Council must be realistic about putting more initiatives inside. Some of the limitations to consider in assessing capacity include:

* Policy – procedures that define mandate and roles

* Finances – available net resources

* Culture – norms delineating acceptable behaviours

* Risk – tolerance for organization and legal exposure

* Human resources – available staff and competency levels

These capacity box elements are impacted by dynamic internal and external factors:

* Funding – available funding beyond day-to-day operations

* Scrutiny – level of visibility for organizational actions

* Demands – diverse requests from clients and the public

* Environment – conditions impacting the organization

* Support – legitimacy and trust among stakeholders

10

STRATEGIC POSSIBILITIES	
STRATEGIC TOPIC DISPOSITION	**ACTION**
1. MAPLE POOL (COUNCIL NOW PRIORITY) *Land Use Provisions*	- Review outcomes of current legal process
2. AFFORDABLE HOUSING (COUNCIL NOW PRIORITY) *Site Selection*	- Continue involvement in the Regional Housing Task Force - Selection of site for social housing project - Establish a policy regarding the City's role in ensuring a diversity of housing to meet community needs.
3. NORTH CONNECTOR (Council Advocacy Item) *Construction*	- Prioritize as a NOW advocacy matter to the Provincial Government
4. DOWNTOWN VISION (COUNCIL NOW PRIORITY) *Civic Options*	- Develop City options for its involvement in enhancing the vitality of the downtown area
5. Development Application Process (Operational Strategy) *Review Process*	- Review the development control and application process to ensure it is customer-friendly
6. Traffic Control (Council Advocacy Item) *3rd Crossing*	- Prioritize as a LATER advocacy matter to the Provincial Government
7. COMPLETE STREETS (COUNCIL NOW PRIORITY) *(Pilot Project)*	- Undertake a pilot 'COMPLETE STREET' project in 2014 - Develop a policy regarding the City's vision for integrated roadways that promote multi-modal transportation - Develop a strategy to guide the achievement of 'COMPLETE STREETS'
8. Field Sawmill Site (Follow-up Action List) *Zoning Status*	- Examine the current zoning for the Field Sawmill site re: use provisions if sold
9. Estuary Management (Council Advocacy Item)	- Seek an action plan from the Province for remediation and protection of the estuary
10. Service Capacity (Council NEXT Item) *(Adjustment Targets)*	- Undertake a process to identify essential, important and discretionary services to determine ways to improve effectiveness and efficiency
11. Regional Cooperation (Council NEXT Item) *(Elected Official Forum)*	- Determine a formula for funding arts & culture service - Develop a proposal for a joint Elected Official Forum - Examine fire expansion potential – business case
12. Asset Management (Operational Strategy) *Inventory*	- Prepare an inventory for infrastructure to conduct an assessment and establish priorities.

Column 1 - ( ) indicates the positioning or placement of the item (disposition)
       Italics indicates the priority or strategy name
Column 2 - indicates the Action identified through Council discussion

Strategic Priorities

Based on the number of topics, organizational capacity and the application of the reality, urgency and responsibility criteria, the strategic topics were translated into five **strategic priorities** to be addressed NOW (see Strategic Priorities Chart, next page).

The Strategic Priorities Chart captures Council's priorities and operational strategies at the time of the September workshop. Items listed in **BOLD CAPITALS** indicate priorities Council wishes to address NOW. These items automatically enter the appropriate operational unit at the bottom of the chart. This shows the alignment of staff work with Council direction. Items listed in CAPITALS indicate priorities that will be addressed NEXT or when a NOW item is completed. **Bold** items indicate Organizational Improvements to maximize Council and staff capacity as well as excellence in governance.

In addition to Council priorities, there are other strategic matters receiving the attention of administration. These Operational Strategies are noted in regular font on the Strategic Priorities Chart.

The utility of the priority setting process is evident in the number of items that can truly be acted upon as **Strategic Priorities**. The focus is on **five** NOW priorities. When these are completed, one-by-one they are replaced with NEXT items. LATER items or NEW items are not lost. They are reviewed using specific criteria and move up the list as resources become available or as new needs emerge. Accomplishments are achievable - not just words on paper.

To this end, the Strategic Priorities Chart should be reviewed regularly as a reminder of the organization's capacity to make adjustments, change priorities and celebrate achievements. It should be included in every Council meeting agenda as a constant reference, updated monthly by the CAO (Chief Administrative Officer) with Council and reviewed quarterly by the CAO with Council and with staff.

12

STRATEGIC PRIORITIES CHART Sept 2013

CORPORATE PRIORITIES (Council/CAO)

NOW	TIMELINE
1. HOUSING PROJECT: Selection	Feb. 2014
2. MAPLE POOL LAND USE: Resolution	April 2014
3. EAST COURTENAY FIRE SERVICE: Analysis Report	Jan. 2014
4. 'COMPLETE STREET': Pilot Project	Mar. 2014
5. DOWNTOWN VIABILITY: Civic Options	May 2014

NEXT	ADVOCACY / PARTNERSHIPS
• CULTURAL FUNDING AGREEMENT	• *North Connector Project*
• 'COMPLETE STREET': Strategy	• *3rd Crossing Bridge*
• SERVICE CAPACITY REVIEW: Targets	• *Estuary Management Action Plan*
• AFFORDABLE HOUSING: City Role	
• REGIONAL ELECTED OFFICIAL FORUM	

OPERATIONAL STRATEGIES (CAO/Staff)

CAO (David Allen)	OPERATIONS (Keir Gervais)
1. HOUSING PROJECT: Selection - Feb. 2014	1. Asset Management Inventory: Phase I - May 2014
2. MAPLE POOL: Resolution - April 2014	2. Preferred Procurement Standards - Aug. 2014
3. SERVICE CAPACITY REVIEW: Targets - Mar. 2014	3. Maintenance Management System - April 2014
4. *North Connector Funding - Oct 2014*	
	• Fleet Management Plan - April 2014
• Strategic Planning Process Policy - Dec. 2013	• Road Condition Assessment - Dec. 2013
• Performance Measurement System - Jan. 2014	

ADMINISTRATION (John Ward)	PLANNING & DEVELOPMENT (Peter Crawford)
1. Asset Management System - Sept - 2014	1. Development Process: Review - May 2014
2. Website: Redesign - May 2014	2. Downtown Land Use - July 2014
3. REGIONAL EOF: Terms of Reference - Dec. 2013	3. AFFORDABLE HOUSING: City Role - Sept. 2014
• IT System Review - Dec. 2013	• Regional Hospital - May 2014 (Approval)
• Communication Strategy - June 2014	(Fall 2017 completion)

COMMUNITY SERVICES (Randy Wiwchar)	ENGINEERING (Lesley Hatch)
1. DOWNTOWN VIABILITY: Options - May 2014	**1. 'COMPLETE STREET': Pilot Project - Mar. 2014**
2. CULTURAL FUNDING AGREEMENT - April 2014	2. Flood Study - Dec. 2013
3. Rail to Trail: Phase III - Nov. 2013	3. Transportation Study - Dec. 2013
	4. COMPLETE STREET STRATEGY - TBD
• Centennial Celebrations - 1st Event - Dec. 31, 2014	• Subdivision Bylaw Review - Construction Standards
• Artificial Turf Field - Sept. 2014	- Dec. 2014
	• DCC Bylaw Review - Fall 2014

FINANCE (Tillie Manthey)	HUMAN RESOURCES (Mickie Donley)
1. FIRE SERVICE: Analysis Report - Jan 2014	1. Work Safe: Cor Program Audit - Feb. 2014
2. Frontage Tax Bylaw: Review - Oct. 2013	2. Human Resource Information System - May 2014
3. Reserve Bylaws: Review - Mar. 2014	3. Job Applicant Tracking System - May 2014
• Electronic Applications: Home Owner Grant - Apr. /14	• Collective Agreement Preparation - Nov/Dec. 2014
• Contaminated Sites Accounting Standards - Dec. /14	• Employee Communication Tools - Dec. 2013

CODES:
BOLD CAPITALS = NOW Priorities; CAPITALS = NEXT Priorities; *Italics = Advocacy;*
Regular Title Case = Operational Strategies

13

Strategic Priorities Work Program

As the final stage in the solution seeking process, an action plan was developed that identifies resources and responsibilities to implement Council's priorities. The Strategic Priorities Work Program is used to determine the activities and resources required to implement strategic priorities. It is necessary for:

- **Budgeting** – the true acid test for a strategic priority is whether it gets funds within the annual budget process. If not it should move to NEXT status.

- **Work Planning** – the CAO will be better equipped to assign work knowing the time and effort required of staff to implement Council priorities.

- **Performance Monitoring** – Council will be able to perform its oversight role better if there are timeframes to monitor progress and results.

The Work Program lays out what is necessary from staff and / or partners to implement a strategic priority. The Work Program clearly itemizes Council expectations in terms of:

- **Who** – responsibility for implementation and decisions

- **Why** – success indicators to monitor progress and results

- **What** – specific task and activities that need to be done

- **When** – sequencing of activities with target dates

- **How** – human, material and fiscal resources required

The Strategic Priorities Work Program defines the desired outcomes for each priority (column 1), options for achieving the priority (column 2) and actions, responsibility and timelines (column 3).

Regular updating of the chart ensures that everyone is **'on the same page'**. Roles are clear, the focus is defined and progress is monitored and celebrated. Extracted from the report, the Strategic Priorities Chart and Work Program are intended to be working documents, updated regularly.

Strategic Priority Work Program

PRIORITY/Desired Outcomes	OPTIONS/ Strategy	ACTION - What, When
	NOW	
1. HOUSING PROJECT (David) *What is the best place for the social housing project?* * Site Selection • Leverage external resources • Meet community needs • Best use of property • Public acceptance • Concurrence of partners	• **In house** • Consultant	1. Review options 2. Council direction - Feb. 2014 3. Advocate project to Province
2. MAPLE POOL (David) *What is the best use of the site?* * Land Use Resolution • Resolve long standing issue • Consider needs of property owners • Public awareness • Public support for actions • Upload (or charge) for City's bylaw provisions	• **In house** • Consultant • **Await legal decision** • Pursue bylaw enforcement	1. Monitor legal proceedings 2. Council direction - April 2014
3. EAST COURTENAY FIRE SERVICE (Tillie) *Should we expand fire service capacity to East Courtenay ?* * **Business Case** • Value for money • Sustained service • Cost / benefit analysis • Operating costs • Capital costs • Service access for all residents	• **In house** • Consultant • Combination	1. **Assemble information - Jan. 2014** 2. Determine decision requirements 3. Prepare business case 4. Council direction 5. Budget consideration

PRIORITY/Desired Outcomes	OPTIONS/ Strategy	ACTION - What, When
4. COMPLETE STREET STRATEGY (Lesley) *How do we establish a clear vision for 'complete streets'?* *** Pilot Project** ○ Pedestrian friendly ○ Improved traffic flow ○ Less vehicle emissions ○ Attractive streets ○ Multi-modal capacity ○ Implementation of strategy ○ Reduction of greenhouse gas ○ Return on investment determined	• **In house** • Consultant • Combination	1. **Create budget envelope** 2. Select pilot project - April 2014 3. Undertake pilot project - summer
5. DOWNTOWN VIABILITY (Randy) *How does the City enhance the viability of downtown?* *** Options Report** ○ Attractive environment ○ People, place and pedestrian friendly ○ No store front vacancies ○ Business owner buy-in ○ Business partnerships ○ City role clarity ○ Longer term strategy	• **In house** • Consultant • Combination • City • Business • **Partnership**	1. **Review report** 2. Council direction - May 2014
NEXT		
CULTURAL FUNDING AGREEMENT (Randy) *What is the preferred cost sharing for cultural services ?* *** Funding Formula** ○ Shared goals for service ○ Fair cost sharing ○ Role clarity for service delivery ○ Defined scope of service ○ Defined budget parameters	• In house • Consultant • **Combination**	1. Council direction - **done** 2. **Negotiate agreement** 3. Agreement approval - April 2014 4. Start Service

16

PRIORITY/Desired Outcomes	OPTIONS/ Strategy	ACTION - What, When
'COMPLETE STREET' (Lesley) *What is the long term approach to 'complete streets'?* *** Strategy** ○ Pedestrian friendly ○ Improved traffic flow ○ Less vehicle emission ○ Attractive streets ○ Multi-modal capacity ○ Implementation strategy ○ Reduction of greenhouse gas ○ Determine return on investment	• **In house** • Consultant • Combination	1. **Review report - April 2014** 2. Develop strategy 3. Develop capital budget 4. 2015 Budget consideration
SERVICE CAPACITY (David) *How can we maximize our service capacity?* *** Review** ○ Complete service inventory ○ Defined service expectations ○ Ways to be more efficient ○ Assess current delivery ○ Explore best practices ○ Assess effectiveness of services	• In house • Consultant • **In-house with facilitator** • Comprehensive Review • **Targeted Review**	1. **Assemble inventory** 2. Conduct workshop 3. Confirm targets - March 2014 4. Assess adjustment options 5. Approve service adjustment strategy
AFFORDABLE HOUSING (Peter) *What can be done to ensure a diverse housing stock?* *** City Role** ○ Defined terms ○ Best practices elsewhere ○ Clear policy framework ○ Best use of tax dollars ○ Public awareness and support	• **In house** • Consultant • Combination	1. **Conduct research** 2. Options report 3. Council direction - Sept. 2014 4. Develop policy

PRIORITY/Desired Outcomes	OPTIONS/ Strategy	ACTION - What, When
REGIONAL ELECTED OFFICIALS FORUM (David) *How can we work more effectively as a region?* *** Agenda** • Avoid duplication of effort • Better services to citizens • Improved communication • Shared resources • Sharing expertise	• In house • Consultant • **Combination**	1. **Develop agenda - Dec. 2013** 2. Meet with Chair/Mayors 3. Send Forum invitation 4. Conduct forum
ADVOCACY		
NORTH CONNECTOR PROJECT ** Impact Assessment*	• Advocate for project funding to assess options	
3rd CROSSING BRIDGE ** Funding*	• Advocate for position in the Province's long term capital plan	
ESTUARY MANAGEMENT ** Action Plan*	• Seek action plan commitment for estuary remediation and protection	

Bolded items indicate the Council **priority**, the preferred **option** to achieve the outcome and the primary **action** necessary to address the priority.
The question used by the Council to focus their priority setting discussion is *italicized.*

THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT TO COMMITTEE OF THE WHOLE

To: Mayor and Council	**File No.:** 6480-20-1205
From: Chief Administrative Officer	**Date:** October 28, 2013
Subject: Arden Corridor Local Area Plan	

PURPOSE:

To receive the Arden Corridor Local Area Plan for information, discussion, and direction to staff. A Council decision on the adoption of the Plan will occur at a subsequent Council meeting.

CAO RECOMMENDATIONS:

That based on the staff report, "Arden Corridor Area Plan", Committee of the Whole direct staff on whether any revisions, additional information, or other actions are required before proceeding with the Arden Corridor Local Area Plan.

Respectfully submitted,

David Allen
Chief Administrative Officer

BACKGROUND:

Council identified the need for an Arden Corridor Local Area Plan (LAP) in January 2012 given the range of development proposals in the area and anticipation of future development proposals including boundary extension applications. The Plan area includes lands on or near the Arden Road corridor from Lake Trail Road to the Comox Valley Parkway as shown on the attached map (Attachment No. 1).

A consultant (James Tuer Architecture) was retained to conduct the public consultation and preliminary analysis of the Plan as well as provide an illustrated "preferred land use concept plan", informed by the analysis and consultation. Consultation was completed in December 2012. Staff have now completed the detailed policy language of the Plan which reflects the vision identified by this Plan.

DISCUSSION:

LAPs are intended to provide more detailed planning policies for areas that are expected to experience significant development and change. Public participation in planning policies are of critical importance to ensure the Plan reflects the needs and vision of the existing and future community. LAPs are guided by the land use policy direction contained within the Official Community Plan (OCP) and Regional Growth Strategy (RGS). The OCP contains 5 LAPs for other neighbourhoods within the City:

- Mission Road
- South Lerwick
- Sandwick/Headquarters
- Old Orchard and Area
- South Courtenay

Each LAP will reflect the specific objectives of the individual neighbourhoods. The objective of the Arden Corridor LAP is to project and respond to anticipated growth in the Arden Corridor through regulation of land use and servicing that is in keeping with the values of the community, the identity of the City and the City's commitment to environmental protection.

The Plan addresses these objectives through a number of policies and identified action items organized within the following topic areas:

- Environment
- Land use
- Mobility
- Servicing

The Plan aims to incorporate the best available information within each of these topic areas.

Plan audience and intended uses

There are two formats for the Plan:

1. OCP LAP chapter (Attachment No.2)
2. Reference Plan (Attachment No.3 – under separate cover)

The OCP chapter on the Arden Corridor LAP is a summarized version of the Reference Plan. The OCP version of the LAP is formatted to provide clear policy direction with minimal supplementary and justification material, which can become distracting in a Bylaw. Anyone interested in developing within the Arden Corridor will be directed to both the OCP Bylaw material as well as the Reference Plan.

The Reference Plan is highly visual and contains 'explanatory' material which is not as prevalent in the other LAPs. This has been done in order to make the Plan attractive and accessible to a wide range of audiences including the public. From its conception, the Plan process has aimed to actively include the perspectives of the community through a variety of media. The public was largely receptive of the process and expressed a desire to 'take ownership' and 'steward' the Plan. This public engagement process is deemed by staff to have been successful and will be used to inform future LAP processes, as described below.

Plan highlights

This section provides some highlights from various sections of the Reference Plan as a way to provide an 'overview' of the flow of the Plan and its core strategies. Items 2 – 7 are also contained within the OCP chapter version:

1. *Policy context*

   The Plan begins with an explanation of the LAP in the context of *other policy directives* (OCP, RGS). In particular the role of Settlement Expansion Areas, including reference to boundary extension, is included as this was a topic of much discussion throughout the consultation period.

2. *Plan objectives and process*

   These are described on pages 7-8 of the Reference Plan. A full account of the consultation findings is included in the Appendices of the Reference Plan.

3. *Plan Strategies, Design Principles and Vision Statement*

   These are included in order to capture the 'essence' of the Plan. The Vision Statement for the Plan is:

"To maintain the rural character of the community while allowing environmentally responsible new developments that respond to the community's growth, that support a network of trails and rural roads, parks, cost-effective infrastructure systems and a diversity of housing and small home-based businesses."

The 3 core Strategies for the Plan are:

a. To adopt a precautionary approach to land use decision making by requiring comprehensive studies prior to development application approvals;

b. To use the illustrative ideas as presented in the Plan as concepts for development applicants to follow in preparing their development proposal; and

c. To be clear to the community on when further consultation will be initiated such as in the instances of boundary extension applications, re-zoning and OCP amendments, activities that may have significant environmental impact on public lands, and any major amendments to the Plan.

The design principles are described using an annotated illustration as shown on pages 9-11 of the Reference Plan.

4. *Topic area: Environmental protection*

A key policy is to expand the Environmental Development Permit (EDP) area and requirements to a greater number of properties within the Corridor. This is justified for two main reasons:

a. This area of the City contains a high density of streams and wetlands, has a high water table and contains many mature trees. Map 4 within the Reference Plan highlights the prominence of environmental features in the neighbourhood compared to other areas of the City); and

b. Existing mapping of Environmentally Sensitive Areas (ESAs) is not complete and therefore applicants and staff may be unaware of ESAs when processing development applications.

The EDP tool will function as follows:

o Development proposals that result in a site disturbance of greater than 4000 square metres (approximately 1 acre) will be required to conduct a Bio-Inventory for their site using Ministry of Environment *Develop with Care Bio-Inventory Guidelines*. Development proposals of any size that are within known ESA areas will also be required to conduct a Bio-Inventory. Sites smaller than 4000 square metres (approximately 1 acre) with no previously known ESA will not require a Bio-Inventory.

o If the Bio-Inventory indicates that no ESA will be impacted by the proposed development, the development proposal will be exempt from requiring the EDP.

o If the Bio-Inventory indicates that an ESA will be impacted by the proposed development, an EDP will be required in order for the application to proceed.

o Two tiers of Environmental Development Permit (Minor and Regular) have been designed to ensure that developments with minimal risk are not required to provide the same level of detailed information as developments that are large and/or present higher environmental risk.

The Two EDPs will be assigned different fees to ensure the fee does not rise above the level of effort to administer the permit. The current permit fee does not allow for flexibility for different scales of development. For example, a development proposal on a single family lot requires the same fee as a major subdivision. The City recently adopted a minor process and associated fee for the Downtown Form and Character DP. Separating the EDP process into two tiers is the first time the City will be taking this approach in an environmental context. This tiered EDP approach will *only* be applicable to the Arden Corridor lands as identified in the EDP. The lessons from this tiered approach will be considered for other areas of the City if the approach proves to provide a high level of municipal service at a reasonable cost. The work of assigning a separate fee is a separate piece of work that could follow the adoption of this Plan. See section below for more details on what other activities are required to occur to implement the Plan.

5. *Topic area: Land use*

The maps on pages 11 and 43 of the Reference Plan show the preferred land use concept for the Arden Corridor. Residential use is deemed by the public and staff to be a suitable land use for the area and is the primary land use proposed, in addition to parks and greenways. A goal of accommodating new residences is to ensure that they don't detract from the current rural aesthetic of the neighbourhood. There are three residential land use approaches proposed in this Plan:

o   On existing single family lots, infill development in the form of secondary suites, carriage homes and subdivision of lots will be permitted provided it meets other regulatory requirements such as servicing, minimum lot size and environmental protection. This type of infill development is expected to be gradual as home owners apply to the City for development on an individual basis.

o   On the larger 'greenfield' sites such as D.L. 95 (currently not within the City) and D.L. 138 (both in the more central part of the study area), single family housing will be supported. The Plan contains many design ideas to encourage a single family form that is clustered, that minimizes the need for public servicing, that is Low Impact Development (LID) and that accommodates a range of demographics and affordability levels. Any development within these Greenfield sites will require an Environmental Development Permit given their known environmental sensitivity.

o   Along portions of Arden and Cumberland Road and near the Arden Elementary School, multi-family housing will be supported as these areas provide the potential for transit supportive densities, are on better draining lands and are located on established major transportation routes. The public consultation indicated that multi-family housing in the form of ground oriented housing that looks more like a large home is accepted. Repetitive designs that give the appearance of 'tract' housing of any density (e.g. townhomes or single family homes) are not supported.

In addition to housing, this section in the Plan discusses the current level of service of public parks and what types of future parks are desirable in the area. The Plan does not pinpoint exactly where parks are to be located, as the Plan aims to remain flexible to the development opportunities that are the primary driver for the creation of new publically owned parks. Trail development connections have been identified in the area.

No institutional or industrial lands are designated for the area although home-occupation will be supported, including in the form of light industrial, subject to public process. The City will re-visit the need and appropriateness of small-scale neighbourhood oriented commercial uses in keeping with the neighbourhood character, as the area develops, and after further boundary extension is considered, in consultation with the community.

6. *Topic area: Mobility*

The consultation revealed a strong desire by the participants to retain the 'look and feel' of the existing road network, recognizing that the ditches and lack of sidewalks is what lends the rural feel, currently a Ministry of Transportation and Infrastructure (MoTI) standard in the CVRD lands. As such the Plan contains policies to ensure that upon lands incorporating into the City, the road standard will respect this rural aesthetic. Other elements that reinforce the aesthetic are mature trees, which also will be covered under the City's Tree Protection Bylaw. The City's draft rural road cross section (contained within the Draft Transportation Master Plan) accommodates this aesthetic while also providing wider multi-use shoulders to accommodate cyclists and walkers. The option of a multi-modal separated path along Arden Rd, Lake Trail Rd, and/or Cumberland Rd will continue to be considered in areas where the road right of way permits.

The community also indicated the desire for roundabouts as a traffic calming measure and to serve as a visual cue of the neighbourhood's identity. The intersection of Cumberland and Arden Roads is currently under review for a suitable intersection upgrade to enhance safety and ameliorate traffic flow. Details are forthcoming.

The community also voiced a strong desire for more nature trails, noting that if a comprehensive system of trail networks was created as an outcome of this Plan they would use their car less and bike/walk more often.[1] This is an encouraging finding as the City continues to promote and provide alternative modes of transportation to the private automobile. Trail network development will be a core means of providing this form of mobility infrastructure, as well as serving the recreation and wildlife needs of the area.

7. *Topic area: Servicing*

The City has maintained a position that municipal services will not be extended beyond the municipal boundaries. In order for services to be extended, boundary extension must first occur. The City's established OCP policy on boundary extension is that comprehensive studies of the servicing requirements will be conducted prior to extension being considered. This Plan does not attempt to address this level of detail, and will be addressed upon a boundary extension application. However, the Plan does provide guidance as to what types of servicing will be acceptable in the area, notably in the area of storm water management. Storm water management which will require source controls and where detention is necessary, dispersed detention ponds that are designed to function like wetlands and that maintain the hydrological regime of the area to ensure adequate base flow to the surrounding streams. Open channel forms of storm infrastructure will be adopted.

It should be noted that the extension of sanitary sewer services arose as a dominant theme by existing Electoral Area residents throughout the consultation process. There was initial concern by some that the Arden Corridor LAP was an annexation proposal and that not enough consultation on the servicing implications was provided. The issue of a 'lack of trust' towards the City was noted in the earlier consultation exercises. Over time, residents came to understand the role of the LAP as a visionary and guiding document, not a development proposal with servicing implications. This established positive working relationship with the existing residents, both in the City and the Electoral Lands, is viewed as a strength that should be built upon as considerations for annexation and servicing are explored in the future.

Future LAPs

While the City has 5 existing LAPs, the Arden Corridor LAP is somewhat unique in the following aspects:

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[1] 79% of the 158 respondents strongly agreed or agreed with this statement, as reported in the survey. See Appendix within the Reference Plan for responses to all the survey questions.

- It's the first LAP that has benefited from the City's new Geographical Information Systems (GIS) technology, and contains a level of analysis not found in other LAPs. Once all the data layers are assembled for the City, the GIS enables land use analyses to be conducted quickly and in-house. The GIS also allowed for data to be easily received from Ministry of Environment and Project Watershed.
- It's the first LAP that is explicitly illustrative, aiming to communicate abstract policy concepts into visual depictions that can more easily be understood.
- It's the first LAP that used an on-line questionnaire (in addition to a range of other consultation exercises). The response rate for this LAP process was higher than any other LAP process in the City's history, potentially due to the ease of access (on-line and hardcopy) and highly illustrative nature of the questionnaire.
- It's the first LAP that has a goal of public education. This is demonstrated in the layout and 'did you know?' elements contained within the Plan. A desire to contain education elements was added after staff experienced the strong desire by the community to engage with and steward this Plan.
- It's the first LAP that has been structured into two separate documents for two distinctive purposes: A) The Reference Plan contains all the background information and educative elements - It will not be included in this form in the OCP; and B) The OCP chapter contains the language required for regulatory inclusion in the OCP Bylaw.

A number of lessons have been learned in developing this Plan which will be used to inform future LAPs. Lessons include:

- Establishing a template approach to creating future LAPs so that they are part of a 'family' of plans will make it easier to compare neighbourhoods across each other and ensure all relevant forms of analysis are conducted in each area;
- Using the LAP process to achieve multiple objectives from other work plans will be attempted wherever feasible. For example, the Draft Transportation Master Plan identifies the need to understand the mobility patterns on a neighbourhood scale. Another example is Watershed Blueprints, in which more detailed information about a stream's health can be assembled at the neighbourhood scale in the absence of a watershed-scale plan.

The need for LAPs in other parts of the City has been identified through this process, through the Draft Transportation Master Plan and through public inquiry. The following areas have been identified:

- Downtown
- Raven Ridge
- Lake Trail neighbourhood
- Area around new hospital
- Infill opportunities throughout the City

The LAP process represents a potentially powerful consultation, education and regulatory tool that can connect the high level policies contained in Bylaws such as the OCP and RGS to where people live – their streets, neighbourhood hubs, businesses, schools, parks and the places they call home. It is one of the few venues in which staff engages with residents in a creative and visionary process, which can help to nurture positive working relationships as staff and residents learn from each others' perspectives. As such, the LAP process provides a mechanism through which to connect people to the goals and 'issues' that the City is working through, thus potentially supporting further community and democratic engagement. The City might consider aiming to conduct new or renew existing LAPs at set frequencies to ensure that the City continues to maintain an 'ear to the ground' of the current needs and future aspirations of the community.

FINANCIAL IMPLICATIONS:

None at this time.

ADMINISTRATIVE IMPLICATIONS: *(work plan, etc.)*

P28

The Plan identifies a number of complimentary activities that must take place in order to fully implement the Plan. The following items are for consideration into future work programs:

1. Update EDP fee bylaw to reflect the tiered EDP approach.

2. Update the Tree Protection Bylaw to include provisions pertaining to – minimizing wind throw, including on neighbouring properties; maintaining character; wildlife and watershed connectivity values; and role in storm water management. This review is currently underway.

3. Update the City's 20 year old Parks Plan so that long-term park needs in the Arden Corridor and other areas can be included in the DCC (Development Cost Charges) bylaw which is under review (2014).

4. Continue to work with the stream stewardship sector to ensure the City benefits from the best available environmental information, as it comes available.

5. Conduct at some point in the future a Watershed Blueprint for the Millard-Piercy and Arden-Morrison Creeks.

STRATEGIC PLAN REFERENCE:

Support community initiatives and distinct neighbourhoods.

OFFICIAL COMMUNITY PLAN REFERENCE: *(may include sustainability)*

Applicable Policies Include:

o   Consider the long-term impacts of all land use decisions. Selecting the correct location for density is important as this will create the right balance to ensure new growth enhances the community and supports existing and new services.

o   Enact performance-based bylaws to protect watersheds and riparian habitat areas, and to consider alternative stormwater management practices.

o   Through regulations and incentives, encourage developers to produce a greater housing mix as well as commercial services.

REGIONAL GROWTH STRATEGY REFERENCE:

Applicable Principles/Policies

o   Identify areas of existing development on the fringes of *Municipal Areas* that should eventually be incorporated through boundary extensions and provided with publicly owned water and sewer service in order to address existing public health and environmental issues.

o   Identify areas for new development on the fringes of *Municipal Areas* that should eventually be incorporated through boundary extensions and provided with publicly owned water and sewer services in order to allow for new long-term growth opportunities in a phased and orderly manner.

o   Any growth in *Settlement Expansion Areas* will occur in phased and orderly manner and will undergo a public planning process in order to determine the appropriate scale and form of development.

○ Given the number and density of private systems located on the fringe of *Municipal Areas*, there is a need to develop a long-term strategy to prevent public health concerns before they arise. Private wells, watercourses and the marine foreshore within the Comox Valley could be seriously compromised should a number of septic systems fail in the coming years prior to detection. As a result, it is the long-term intention of the growth management strategy that existing neighbourhoods within designated *Settlement Expansions Areas* will eventually be provided with publicly owned water and sewer services. Such provision of services will be coincident with a boundary extension that incorporates the settlement expansion area into a municipal area, or a satisfactory servicing agreement, as detailed in the corresponding official community plan.

CITIZEN/PUBLIC ENGAGEMENT:

A summary of the public engagement strategy is provided on page 8 the Reference Plan. Highlights include:

1. Introductory workshop on site analysis, formulating plan opportunities and constraints
2. Series of 3 workshops to provide opportunity for community to participate in 'design charette' of the LAP
3. On-line and hard copy survey
4. Final public house to vet the findings from the survey and land use concept

OPTIONS:

1. Approve the Plan
2. Do not approve the Plan
3. Refer the Plan back to staff for further review, and/or revision

Prepared by:

Peter Crawford, RPP, MCIP   Nancy Hofer, MSc
Director of Development Services   Environmental Planner

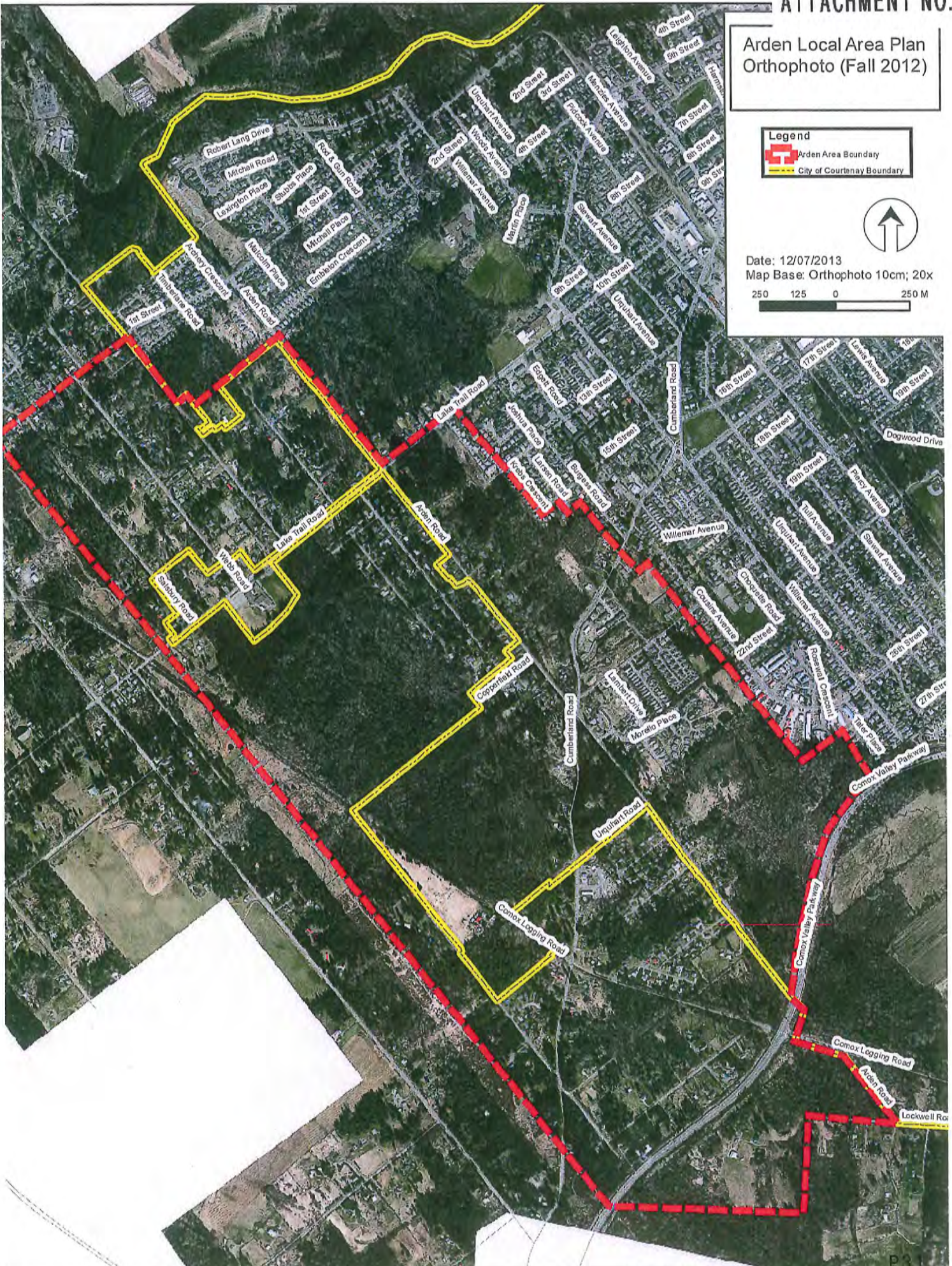S:\PLANNING\Arden LAP\Reports to Council\Council - Arden LAP Oct 2013.docx

Arden Local Area Plan
Orthophoto (Fall 2012)

Legend

Arden Area Boundary
City of Courtenay Boundary

Date: 12/07/2013
Map Base: Orthophoto 10cm; 20x

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STAFF REPORT TO COMMITTEE OF THE WHOLE

To:	Mayor and Council	**File No.:** 2380-20
From:	Chief Administrative Officer	**Date:** October 28, 2013
Subject:	Inter Community Business Licence Program	

PURPOSE:

To update Council on an inter-community business licence program, and request direction to staff on the preparation of "Inter-Community Business Licence Bylaw".

CAO RECOMMENDATIONS:

That based on the October 28th 2013 staff report, "Inter Community Business Licence Program", Council direct staff to prepare an "Inter-Community Business Licence Bylaw" for consideration.

Respectfully submitted,

David Allen
Chief Administrative Officer

BACKGROUND:

An inter-community business licence scheme for Vancouver Island municipalities has been developed over the past year, with the assistance of the province of B.C. Small Business Branch, Ministry of Jobs, Tourism and Skills Training.

DISCUSSION:

As outlined in the attached documentation, 12 island municipalities are included in the inter-community business licence program. The program is designed to give businesses more options and to streamline the business licence system for businesses that operate in more than one jurisdiction.

All 12 municipalities are currently in the process of passing a new bylaw.

Please find attached a report from the City of Parksville CAO which outlines the program.

FINANCIAL IMPLICATIONS:

According to the analysis performed by the province of BC, there will be little negative effect, if any, on the business licence revenue for the City. In fact, the province projects a slight increase in revenue due to a 5% increase in compliance.

The current inter-municipal business licence system between Courtenay and Comox would remain as an option for businesses. After the new bylaw has been in place for a time, staff will need to evaluate the effectiveness of having both options.

ADMINISTRATIVE IMPLICATIONS:

Projected costs for implementation of the program can be accommodated in the current work plan without addition of any resources.

STRATEGIC PLAN REFERENCE:

Goal 3: Encourage Regional Partnerships

OFFICIAL COMMUNITY PLAN REFERENCE:

Not applicable.

REGIONAL GROWTH STRATEGY REFERENCE:
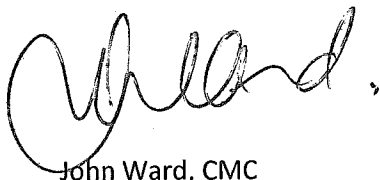
Not applicable.

CITIZEN/PUBLIC ENGAGEMENT:

Should Council wish to proceed with the bylaw, public notice is required pursuant to section 59 (2) of the *Community Charter*.

OPTIONS:

1. Proceed with the adoption of an inter-community business licence for $150 as recommended.
2. Proceed with the adoption of an inter-community business licence for a different fee or other conditions.
3. Maintain the status quo.

Prepared by:

John Ward, CMC
Director of Legislative Services

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CITY OF NANAIMO

BYLAW NO. 7176

A BYLAW TO ESTABLISH A SCHEME FOR INTER-COMMUNITY BUSINESS LICENCING AND REGULATION OF TRADES, OCCUPATIONS AND BUSINESSES

WHEREAS Council may, pursuant to Section 8(6) of the *Community Charter*, regulate in relation to business;

AND WHEREAS pursuant to Section 14 of the *Community Charter*, two or more municipalities may, by bylaw adopted by the Council of each participating municipality, establish an Inter-Community scheme in relation to one or more matters;

AND WHEREAS pursuant to Section 15(1) of the *Community Charter*, Council may provide terms and conditions that may be imposed for obtaining, continuing to hold or renewing a licence, permit or approval and specify the nature of the terms and conditions and who may impose them;

AND WHEREAS Council has given notice of its intention to adopt this bylaw by publishing such notice in two consecutive issues of a newspaper, the last publication appearing not less than three (3) and not more than ten (10) days before the hearing and has provided an opportunity for persons who consider they are affected by this bylaw to make representations to Council at a hearing pursuant to Section 59 of the *Community Charter*,

NOW THEREFORE the Council of the City of Nanaimo in open meeting assembled, hereby ENACTS AS FOLLOWS:

1.   Title

        This Bylaw may be cited as the City of Nanaimo "INTER-COMMUNITY BUSINESS LICENCE BYLAW 2013 NO. 7176".

2.   Definitions

        In this bylaw, unless the context otherwise requires,

"Business"	has the meaning as defined by the *"Community Charter Schedule – Definitions and Rules of Interpretation"*.
"Excluded Business"	means a Business excluded from application for an Inter-Community Business Licence and includes those Businesses referred to in Schedule 'A' attached hereto and forming part of this Bylaw.

"Inter-Community Business"	means a Business that performs a service or activity within more than one Participating Municipality by moving from client to client rather than having clients come to them. This includes but is not limited to trades, plumbers, electricians, cleaning services, pest control or other similar Businesses. This does not include fruit stands, flea markets, trade shows or other similar Businesses.
"Inter-Community Business Licence"	means a Business Licence which authorizes Inter-Community Business to be carried on within the boundaries of any or all of the Participating Municipalities in accordance with this Bylaw and will be in addition to a Municipal Business Licence.
"Municipal Business Licence"	means a licence or permit, other than an Inter-Community Business Licence, issued by a Participating Municipality that authorizes a Business to be carried on within the jurisdictional boundaries of that Participating Municipality.
"Participating Municipality"	means the following local governments that have adopted the Inter-Community Business Licence Bylaw: City of Campbell River City of Courtenay City of Duncan City of Nanaimo City of Parksville City of Port Alberni District of North Cowichan District of Lantzville Town of Comox Town of Lake Cowichan Town of Ladysmith Town of Qualicum Beach Village of Cumberland
"Person"	has the meaning ascribed to it by the *Interpretation Act*.
"Premise"	means a fixed or permanent location where the applicant ordinarily carries on Business.

"Principal Municipality"	means the Participating Municipality where a Business is physically located, or has a Premise, or, where the licensee does not maintain a Premise in any of the Participating Municipalities, the municipality that issues the Inter-Community Business Licence.

3. Regulations

(a) Subject to Section (c) and (e), a person who has obtained an Inter-Community Business Licence may carry on business within a Participating Municipality for the term authorized by the Inter-Community Business Licence without obtaining a Municipal Business Licence in the other Participating Municipalities.

(b) A Participating Municipality may issue an Inter-Community Business Licence to an applicant for an Inter-Community Business Licence provided the Business type is an Inter-Community Business and is not an Excluded Business, the applicant has a valid Municipal Business Licence issued by that Participating Municipality, and the applicant meets the requirements of this Bylaw.

(c) A person holding an Inter-Community Business Licence must comply with all other regulations and bylaws of the Participating Municipality in which they are carrying on Business.

(d) A Business that operates under an Inter-Community Business Licence in more than one Participating Municipality shall only apply for an Inter-Community Business Licence from the Participating Municipality in which they maintain a Premise.

(e) Notwithstanding the issuance of an Inter-Community Business Licence, every person who carries on, maintains, owns or operates, within a Participating Municipality, any profession, business, trade, occupation, calling, undertaking or thing in or from more than one branch, office, place, premise or store shall obtain a separate Municipal Business Licence for each branch, office, place, premise or store. And further, notwithstanding Sections (b), (c), and (d), the Participating Municipalities agree that where an applicant for an Inter-Community Business Licence:

   i. does not maintain Premises in any of the Participating Municipalities, then the applicant may apply at any one of them; or

   ii. maintains a Premise in more than one of the Participating Municipalities, the applicant must apply at one of the Participating Municipalities where they maintain a Premise.

4.   Fees

(a) The fee for an Inter-Community Business Licence is $150 and shall be paid in full at the time of application and will be retained by the Participating Municipality that issues the licence.

(b) The fee for an Inter-Community Business Licence is separate and additional to any Municipal Business Licence fee that may be required.

5.   Application

(a) Every Inter-Community Business Licence shall be issued on a standard form provided for that purpose, as agreed upon from time to time by the Participating Municipalities and including, as a minimum, the following information:

   i.   Disclosing the nature and character of the profession, business, trade, occupation, calling, undertaking or thing to be carried on, maintained, owned or operated by the applicant;

   ii. Declaring the mailing address and contact information for such profession, business, trade, occupation, calling, undertaking or thing;

   iii. Declaring the number of persons engaged or occupied in such profession, business, trade, occupation, calling, undertaking or thing;

   iv. Disclosing the number of distinctive lines of goods sold or offered for sale;

   v.   Including any other information concerning the profession, business, trade, occupation, calling, undertaking or thing which the Participating Municipality may require.

(b) Each Participating Municipality shall provide to all other Participating Municipalities standardized information regarding the Inter-Community Business Licences issued, by way of at least weekly updates on a shared database available to all Participating Municipalities.

6.   Suspension or Cancellation of an Inter-Community Business Licence

(a) A Council or Designated Officer or Employee of a participating municipality may exercise the authority of the Principal Municipality in accordance with Sections 15 and 60 of the *Community Charter* to suspend or cancel an Inter-Community Business Licence. The suspension or cancellation shall be in effect throughout all of the Participating Municipalities and it shall be unlawful for the holder to carry on the Business authorized by the Inter-Community Business Licence in any Participating Municipalities for the period of the suspension or cancellation.

(b) Before suspending or canceling an Inter-Community Business Licence under Section 6(a), the Participating Municipality must give the licence holder notice of the proposed action and must inform the licence holder of their right to be heard.

    i.   If the licence holder wishes to exercise this right, the Participating Municipality shall communicate in writing to the licence holder and Principal Municipality that issued the Inter-Community Business Licence, together with such documentary evidence of the reasons for suspension or cancellation as may be available and the request to be heard. Such Principal Municipality shall then, as soon thereafter as reasonably possible, provide the Licence Holder an opportunity to address their respective Council who will then consider whether to suspend or cancel the Inter-Community Business Licence.

    ii.   If the licence holder does not exercise their right to be heard, the Participating Municipality may suspend or cancel the Inter-Community Business Licence in accordance with Section 6(a).

(c) Any conduct by a licence holder resulting in a hearing made under Section 6(b)(i) shall be considered by the Council of the Principal Municipality as though it happened within the jurisdiction of the Principal Municipality.

(d) A decision by a Principal Municipality or Participating Municipality to cancel or suspend an Inter-Community Business Licence under Section 6 (b) shall be honoured by all Participating Municipalities.

(e) Nothing in this Bylaw impedes the authority of a Participating Municipality to suspend or cancel any Business Licence issued by that Municipality, or to enact regulations in respect of any class of Business Licence in accordance with Section 15 of the *Community Charter* and amendments thereto.

7.   <u>Miscellaneous</u>

    (a)   A Participating Municipality may, by notice in writing to each of the other Participating Municipalities, withdraw from the Inter-Community Business Licence scheme established by this Bylaw.

    Notice must:

    i.   Set out the date on which the withdrawing Municipality will no longer recognize the validity within its boundaries of business licences issued pursuant to this Bylaw, which date must be at least six months from the date of the notice; and

    ii.   Include a certified copy of the Bylaw authorizing the withdrawal.

    (b)   An Inter-Community Business Licence issued prior to the effective date of the withdrawal shall, until it expires, remain valid within the boundaries of the withdrawing Municipality.

8.   Severability

(a) If any section, paragraph or phrase in this Bylaw is for any reason held to be invalid by a decision of a Court of competent jurisdiction, that portion shall be severed and the remainder of this Bylaw shall continue in full force and effect.

9.   Effective Date:

This Bylaw shall come into full force and effect on the first day January 2014.

PASSED FIRST READING 2013-SEP-09
PASSED SECOND READING 2013-SEP-09
PASSED THIRD READING 2013-SEP-09
ADOPTED 2013-OCT-07

J. R. RUTTAN
M A Y O R

K. KING
CORPORATE OFFICER

P41

SCHEDULE 'A'

EXCLUDED BUSINESSES

The following Business types are Excluded Businesses for the purposes of application for an Inter-Community Business Licence under the Inter-Community Business Licence Scheme set out in the bylaw:

1. Social escort services.

2. Vehicles for hire (for example, taxis, limousines, or buses).

3. Body-rub services (which includes the manipulating, touching or stimulating by any means, of a Person or part thereof, but does not include medical, therapeutic or cosmetic massage treatment given by a person duly licensed or registered under any statute of the Province of British Columbia governing such activities or a therapeutic touch technique).

July 22, 2013

MEMO TO: HIS WORSHIP THE MAYOR AND MEMBERS OF COUNCIL

FROM: FRED MANSON, CHIEF ADMINISTRATIVE OFFICER

SUBJECT: INTER-COMMUNITY BUSINESS LICENCE PROGRAM

ISSUE

Request by the Parksville and District Chamber of Commerce for the City to consider implementation of an inter-community business licence program.

EXECUTIVE SUMMARY

The Parksville and District Chamber of Commerce has asked the City to consider promoting and implementing an inter-community business licence program within the Regional District of Nanaimo, similar to inter-community business licence programs currently in place in the Okanagan Valley and Capital Regional District. With only three RDN communities with business licence programs in place, an inter-community business licence program is of limited benefit. For an inter-community business licence program to be meaningful in this area, it would need to be expanded to include all of the central Vancouver Island Communities.

REFERENCE

Draft Inter-community Mobile Business Licence Information Sheet, Schedule A attached.
Draft Inter-community Mobile Business Licence Bylaw, Schedule B attached.

BACKGROUND

A mobile business is defined as a business that performs a service in more than one community by moving from client to client rather than having a client come to a fixed place of business. Such a business may or may not have a storefront or physical location in a community. This includes but is not limited to trades, plumbers, electricians, cleaning services, pest control or other similar businesses. A mobile business does not include businesses selling goods or services from fixed or semi fixed locations where customers come to them. Examples of excluded businesses include fruit stands, roadside vehicle vendors, mobile stores, flea markets, concession stands and trade shows.

If adopted, an Inter-Community Business Licence program require a mobile business to continue to purchase a business licence, as is the current practice, in their principal community (the community where they have a storefront or physical location) and at their option, also purchase an "Inter-Community Business Licence" from their principal community that would authorize them to operate in any of the participating communities in the Inter-Community Business Licence program. In the Regional District of Nanaimo, such a program would mean that a business that currently requires three licences; one each for the City of Parksville, Town of Qualicum Beach, and the City of Nanaimo, would need only two (a normal business licence from their principal community and an inter-community business licence also purchased from their principal community that allows them to operate in the other two communities as well as all other participating Central Vancouver Island Communities).

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P42

For such a program to be of maximum benefit, all communities within the Central Vancouver Island area would need to be a participating community. The Central Vancouver Island communities considering participation include:

1. City of Campbell River
2. City of Courtenay
3. Town of Comox
4. Village of Cumberland
5. City of Port Alberni
6. Town of Qualicum Beach
7. City of Parksville
8. City of Nanaimo
9. Town of Ladysmith
10. District of North Cowichan
11. City of Duncan
12. Town of Lake Cowichan

Although the District of Lantzville does not currently require business licences, they have also been included in the proposed bylaw as a potential participant so that if at some time in the future they do implement business licencing, they will be able to participate without the need of a bylaw change by the other 12 communities.

Inter-Community Business Licence programs have been successfully established in one form or another in several areas of the province including the Capital Regional District, the Okanagan Valley including communities in the North, Central and South Okanagan Regional Districts, the Cowichan Valley Regional District and between Courtenay and Comox to name a few.

Implementation experiences in both the Okanagan Valley and Capital Regional District resulted in little or no change to the collective or individual business licence revenue levels. More specifically, when the program was implemented in the Okanagan Valley in 2008, the participating communities anticipated the City of Kelowna, as the major hub of the region, would experience a revenue increase at the expense of the smaller neighboring communities. In consideration of this anticipated shift, the program included provisions for a revenue sharing formula. To date that formula has never been exercised as the anticipated drop in revenue did not occur.

Some reductions were experienced by communities in the Cowichan Valley, but apparently these reductions were short lived and business licence revenues have since returned to their pre Inter-Community Business Licence levels.

The program not only reduced costs to some businesses operating legitimately with multiple licences, it also encouraged other businesses operating without business licences to legitimize their operations, such that the member communities experienced virtually no change in business licence revenues.

To implement this program, little or no changes will be needed to the existing business licence bylaws of the participating communities. Each of the participating communities would, however, be required to adopt an **identical**, separate Inter-Community Business Licence Bylaw that would operate in addition to their existing business licence bylaws.

In partnership with the Ministry of Jobs, Tourism and Skills Training, Small Business Branch and within the limits inherent to available data, staff has analyzed the 2012 non-resident business

licence revenues from each of the potentially participating communities with the intent of identifying any such revenue shifts and determining what the inter-community business licence fee should be to minimize the potential impact.

Through that analysis it has been determined that:

- For 2012 within the 12 communities 5,141 business were issued 5,823 non-resident business licences and of those 5141 business 478 had 2 or more as follows:

  - 352 business with 2 licences
  - 80 with 3
  - 26 with 4
  - 11 with 5
  - 6 with 6
  - 3 with 7

- Business Licence revenues from those 478 businesses was distributed between the 12 communities and between resident and non-resident licences as follows:

	Community	Total	Resident	Non-resident	Average Fee
o	Campbell River	$28,350	$4,050	$24,300	$150
o	Comox	$4,350	$1,350	$3,000	$150
o	Courtenay	$26,700	$9,400	$17,300	$129
o	Cumberland	$4,180	$1,980	$2,200	$110
o	Duncan	$3,600	$300	$3,300	$100
o	Ladysmith	$2,200	$1,500	$700	$100
o	Lake Cowichan	$950	$50	$900	$100
o	Nanaimo	$42,010	$18,645	$23,365	$165
o	North Cowichan	$6,100	$0	$6,100	$100
o	Parksville	$23,250	$6,150	$17,100	$150
o	Port Alberni	$6,337	$792	$2,545	$132
o	Qualicum Beach	$13,751	$3,850	$9,901	$100
	Total/Average	$161,728	$48,017	$113,711	$125

Using this data as the baseline, revenue projections were then done to project the likely revenue returns would have been had the inter-community business licence program been in effect for 2012.

The key goal for the revenue projections was to explore options for maintaining revenue neutrality. Due to this analysis, the fundamental principles of the inter-community business licence program were applied and several assumptions were made including:

- Principals
  - A business with multiple licences must purchase their inter-community licence from their principal community (the community in which they have a physical location either a home based office or a storefront). The principal community will gain the revenue from the sale of the inter-community licence. The other communities from which the business previously purchased non-resident licences will lose the non-resident licence revenue.

- o In other words, the community that sells the licence keeps all the revenue.

- Assumptions
  - o A conservative estimate of 5% for compliance increase. Other communities have experienced as much as a 30% increase upon implementation of their inter-community business licence programs.
  - o Non-resident businesses purchase their principal and inter-community licence from the community in closest proximity to their physical location with the lowest principal licence fee.
  - o Out of region businesses purchase their principal and inter-community licence from the largest community with which they currently have a business licence.

- Findings
  - o The analysis indicates relative revenue neutrality at around the $150 to $175 price range for the inter-community business licence with total revenues of $168,021 and $185,796 respectively, compared to the 2012 baseline revenue of $161,728.
  - o However, not all participating communities would see a corresponding increase to their respective baseline revenues as follows:

Community	Baseline Revenue	Revenue Change $150 ICL Fee	Revenue Change $175 ICL Fee
Campbell River	$28,350	-$10,400	-$8,500
Comox	$4,350	$3,500	$4,350
Courtenay	$26,700	$650	$3,750
Cumberland	$4,180	-$1320	-$1045
Duncan	$3,600	$2,800	$3,500
Ladysmith	$2,200	$3,800	$4,450
Lake Cowichan	$900	$300	$450
Nanaimo	$42,010	$8,015	$13,190
North Cowichan	$6,100	$3,700	$4,900
Parksville	$23,250	-$6,150	-$4,625
Port Alberni	$6,337	-$2,731	-$2,306
Qualicum Beach	$13,751	$4,129	$5,954
Total	$161,728	$6,293	$24,068

OPTIONS

Council may:

1. Direct staff to prepare the required Inter-Community Business Licence Bylaw for Council's consideration.
2. Maintain the status quo.
3. Refer the proposed bylaw back to staff with direction for further changes.

ANALYSIS

The inter-community business licence program is a program that has been created to help make obtaining a Business Licence easier and more cost efficient for mobile businesses that work,

conduct business or provide services in more than one community in the participating region. The expected benefits of the program to businessinclude::

- Reduce the time and cost of buying multiple licences.
- Save the burden of remembering to renew multiple licences.
- Simpler process for the inter-community licence gives less room for errors and non-compliance.
- Provides access to larger market, across total of participating communities.
- Allows consumers greater choice of service providers.
- Allows greater opportunity for businesses to grow their client base regardless of the client location.

The benefit to the individual local governments includes goodwill from the business community and the expected overall general economic benefit to business.

All of these potential benefits are, however, contingent upon the number of participating communities with the actual benefit to each participating community increasing or decreasing depending upon proximity of participants. Specifically for Parkville, in order of importance the critical communities would include Nanaimo, Qualicum Beach, Port Alberni, Courtenay and Comox.

The risk associated with implementation of an inter-community business licence program is the potential for a shift in business licence revenues away from those communities who receive a large portion of their current business licence revenue from non-resident businesses, to those communities where the non-resident businesses are actually located. Such a shift was anticipated in the Okanagan Valley with the anticipated beneficiary being the City of Kelowna, in actual fact no meaningful changes occurred resulting in the negotiated revenue sharing agreement never being used.

As outlined in the background information, staff, with significant assistance from the Small Business Branch of the Ministry of Jobs, Tourisum and Skills Training (in other words the Small Business Branch did the work), has done revenue projections that indicate, at least on a region wide basis, relative revenue neutrality can be achieved with an inter-community business licence fee of $150. At the $150 level overall revenues are projected to increase marginally ($6,293), however four of the 12 communities could potentially see minor revenue decreases with decreases of $10,400 for Campbell River as the largest decrease, followed by a decrease of $6,150 for Parksville. It should also be pointed out these projections are conservative and likely represent a worst case scenario. If compliance rates increase higher than the 5% used in the projections, (other regions where inter-community business licences have been introduced experienced compliance increases of up to 30%) these decreases may be eliminated.

A projection was also done using $175 as the inter-community business licence fee. Staff is not recommending this rate as it is higher than the range of current non-resident business licence fees, and only results in a marginal change in the revenue decreases for the four affected communities.

Revenue sharing options for both of these scenarios were also run with all the decreases (with the exception of Cumberland at -$563) being eliminated at the $175 inter-community business licence fee level. However revenue sharing is not being recommended as the cost of administration would negate the benefit.

One final issue to be emphasized is that for this initiative to work, each participant must adopt exactly the same bylaw and exactly the same inter-community business licence fee.

BUDGET IMPLICATIONS

There will be some general budget implications.

Depending upon changes in business license compliance rates, total business licence revenues are projected to marginally decrease by $6,150.

There will also be some initial start-up costs for advertising the program, forms development, software set-up and application processing. On an ongoing basis there will be the annual costs of renewal notices and processing new licence applications.

It is estimated the initial start-up costs will be in the $2,500 - $5,000 range while ongoing annual costs will likely be in the $2,500 range. These costs can be absorbed within existing budgets; however it will mean marginal reductions in other services already provided.

RECOMMENDATION

THAT the report from the Chief Administrative Officer dated July 22, 2013 entitled Inter-Community Business Licence Program be received;

AND THAT Council approve in principal the Inter-Community Business Licence program;

AND FURTHER THAT upon similar approval by, at a minimum, the City of Nanaimo, Town of Qualicum Beach, City of Port Alberni, City of Courtenay and Town of Comox, staff be directed to commence the statutory notification process for changes to business regulations and to prepare the appropriate Inter-Community Business Licence Program Bylaw for Council's consideration.

FRED C. MANSON
Chief Administrative Officer

Inter-community Mobile Business Licence

Revenue Analysis

- City of Campbell River
- Town of Comox
- City of Courtenay
- Village of Cumberland
- City of Duncan
- Town of Ladysmith

- Town of Lake Cowichan
- City of Nanaimo
- Municipality of North Cowichan
- City of Parksville
- City of Port Alberni
- Town of Qualicum Beach

Index

Background / Overview

- Early in 2013, twelve mid-island communities requested the assistance of the Province in undertaking work related to an inter-community business licence (ICL) agreement.

- The Province conducted a Revenue Analysis based on the information gathered from the twelve communities.

- This analysis is now complete and is being presented to the communities for information and further direction— as appropriate.

Methodology

In reviewing the Revenue Analysis it is important to highlight the following:

- The information received is typically not consistent among the various communities in terms of business classifications. For example, an electrical contractor in one community may fall under a sub-category of contractors, whereas in another community they would be a separate business category.

- In summarizing the data for analysis, every effort was made to make the information as comparable and complete as possible.

- The analysis is our best estimation of the licencing and does not factor in current or future economic conditions or trends.

Methodology (continued)

The 3 Stages of Analysis:

1. Data Gathering:

- Communities were asked to provide information on mobile businesses in their jurisdiction

  - Mobile Business = A business that operates in more than one community. For example: contractors, trades people, landscaping services, janitorial services, pest control, caterers etc.

2. Review:

- Business listings were sorted and categorized to include only mobile businesses
- Business names were reviewed to ensure consistency across communities
- The # of licences held by each business was recorded
- The principal community for businesses holding multiple licences was identified

3. Revenue Analysis:

- Potential revenue changes based on various fee scenarios and rates of compliance were calculated

Baseline Information

- A total of 5,141 mobile businesses have been identified by name.

- The total number of business licences issued is 5,823 (a business can have multiple licences from different communities).

- Of the 5,141 mobile businesses identified:
  - 4,663 or 90.7% have one single licence; and
  - 478 or 9.3% have multiple licences (2 or more).

- The total baseline revenue (resident and non-resident licence revenue) for all communities is $161,728:
  - revenue from resident licences is $48,017; and
  - revenue from non-resident licences is $113,711.

Fundamental Elements

- The purchase of an ICL is optional.

- If a business chooses not to purchase an ICL, or is not eligible to purchase an ICL, it will be required to purchase a separate business licence from each community in which it operates.

- An eligible business with a physical location in one of the participating communities (known as its principal community) must first obtain a regular business licence, and then an ICL from its principal community.

- An eligible business without a physical location in any of the participating communities must first obtain a regular business licence, and then an ICL from any one of the participating communities.

- Businesses will continue to have the option to purchase an ICL under the pre-existing ICL agreements (ex. Cowichan Valley or Courtenay & Comox ICL agreements).

- The cost of the regular business licence would be at the prevailing community rates.

- The cost of the ICL is the same for all participating communities.

Revenue Impact Model

For businesses with a single licence:

- If a business only operates in one community there is no direct impact on revenue.

- Experience has shown that there is generally an overall increase in compliance following the introduction of an ICL. Reasons for an increase in compliance include:

  - greater convenience to purchasing just one ICL as opposed to several licences in different communities;

  - increased motivation to expand into other communities; and

  - increased motivation to purchase other related licences and permits.

- This group of businesses is the source of any potential revenue gain resulting from a compliance increase.

Revenue Impact Model (continued)

For businesses with multiple licences:

- A business with multiple licences must purchase an ICL from their principal community.

  - As a result, the principal community will gain the revenue from the sale of the ICL (in addition to the regular business licence).

  - The other communities (from which the business previously purchased non-resident licences) may lose the non-resident licence revenue.

- For businesses without a principal community, we have applied the following principles:

  - (in order of application) cost of regular business licence, proximity to physical location, and size of community.

- Note: this is the worst case scenario in terms of revenue loss, as some businesses with multiple licences may also have multiple storefronts.

Pilot Program Considerations

Pricing

- A key goal was to explore options for creating an ICL agreement for the region, ensuring that enforcement was not compromised, while maintaining revenue neutrality.

- For the purposes of this analysis, a conservative estimation of a 5% increase in compliance has been factored into the calculation of the projected revenue.

- Preliminary analysis indicates revenue neutrality for the region around the $150 and $175 ICL price range (factoring in a 5% compliance increase).

- However, not all participating communities would see a corresponding increase in their mobile trade business licence revenue.

Pricing (continued)

Projected Revenue: $150 and $175 ICL fee
- 5% compliance increase

Participating Community	Baseline Revenue	Projected Revenue @ $150 ICL Fee and 5% compliance increase	Projected Revenue @ $175 ICL Fee and 5% compliance increase
1 - Campbell River	$28,350	$17,950	$19,850
2 - Comox	$4,350	$7,850	$8,700
3 - Courtenay	$26,700	$27,350	$30,450
4 - Cumberland	$4,180	$2,860	$3,135
5 - Duncan	$3,600	$6,400	$7,100
6 - Ladysmith	$2,200	$6,000	$6,650
7 - Lake Cowichan	$900	$1,200	$1,350
8 - Nanaimo	$42,010	$50,025	$55,200
9 - North Cowichan	$6,100	$9,800	$11,000
10 - Parksville	$23,250	$17,100	$18,625
11 - Port Alberni	$6,337	$3,606	$4,031
12 - Qualicum Beach	$13,751	$17,880	$19,705
Total	$161,728	$168,021	$185,796

Participating Community	Change in Revenue ICL Fee $150	Change in Revenue ICL Fee $175
1 - Campbell River	-$10,400	-$8,500
2 - Comox	$3,500	$4,350
3 - Courtenay	$650	$3,750
4 - Cumberland	-$1,320	-$1,045
5 - Duncan	$2,800	$3,500
6 - Ladysmith	$3,800	$4,450
7 - Lake Cowichan	$300	$450
8 - Nanaimo	$8,015	$13,190
9 - North Cowichan	$3,700	$4,900
10 - Parksville	-$6,150	-$4,625
11 - Port Alberni	-$2,731	-$2,306
12 - Qualicum Beach	$4,129	$5,954
Total	$6,293	$24,068

Decision points for Steering Committee to consider:

1. Length & Start of term for pilot; and

   - Pilot program could run for any number of months with mid-term report generated at anytime prior to end of term.

   - Goal of report is to provide opportunity for communities to determine whether to permanently adopt program and/or add participants.

2. Pricing for ICL

Next Steps

- Prepare Revenue Analysis Report;

- Steering Committee to seek local government approval;

- If approved, draft Bylaw (serves as the vehicle to implement ICL agreement); and

- System support and access to Mobile Business Registry for enforcement and reporting.

Contact Information

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BRITISH COLUMBIA | Ministry of Jobs, Tourism and Skills Training

Revenue Sharing

Implications of Revenue Sharing at $150 ICL fee

Table 6

Participating Community	Baseline Revenue	Projected Revenue @ $150 ICL Fee No Revenue Sharing	Change in Revenue	Projected Revenue @ $150 ICL Fee with Revenue Sharing	Change in Revenue
1 - Campbell River	$28,350	$17,950	-$10,400	$29,341	$991
2 - Comox	$4,350	$7,850	$3,500	$5,564	$1,214
3 - Courtenay	$26,700	$27,350	$650	$24,976	-$1,724
4 - Cumberland	$4,180	$2,860	-$1,320	$3,273	-$907
5 - Duncan	$3,600	$6,400	$2,800	$5,295	$1,695
6 - Ladysmith	$2,200	$6,000	$3,800	$2,757	$557
7 - Lake Cowichan	$900	$1,200	$300	$1,144	$244
8 - Nanaimo	$42,010	$50,025	$8,015	$40,889	-$1,121
9 - North Cowichan	$6,100	$9,800	$3,700	$8,321	$2,221
10 - Parksville	$23,250	$17,100	-$6,150	$23,988	$738
11 - Port Alberni	$6,337	$3,606	-$2,731	$6,257	-$80
12 - Qualicum Beach	$13,751	$17,880	$4,129	$16,216	$2,465
Total	$161,728	$168,021	$6,293	$168,021	$6,293

Implications of Revenue Sharing at $175 ICL fee

Table 7

Participating Community	Baseline Revenue	Projected Revenue @ $175 ICL Fee No Revenue Sharing	Change in Revenue	Projected Revenue @ $175 ICL Fee with Revenue Sharing	Change in Revenue
1 - Campbell River	$28,350	$19,850	-$8,500	$33,140	$4,790
2 - Comox	$4,350	$8,700	$4,350	$6,033	$1,683
3 - Courtenay	$26,700	$30,450	$3,750	$27,680	$980
4 - Cumberland	$4,180	$3,135	-$1,045	$3,617	-$563
5 - Duncan	$3,600	$7,100	$3,500	$5,811	$2,211
6 - Ladysmith	$2,200	$6,650	$4,450	$2,866	$666
7 - Lake Cowichan	$900	$1,350	$450	$1,285	$385
8 - Nanaimo	$42,010	$55,200	$13,190	$44,541	$2,531
9 - North Cowichan	$6,100	$11,000	$4,900	$9,275	$3,175
10 - Parksville	$23,250	$18,625	-$4,625	$26,661	$3,411
11 - Port Alberni	$6,337	$4,031	-$2,306	$7,123	$786
12 - Qualicum Beach	$13,751	$19,705	$5,954	$17,764	$4,013
Total	$161,728	$185,796	$24,068	$185,796	$24,068