

AGENDA

COUNCIL WORKSHOP

Monday, January 25, 2016

6:00 p.m.

Committee Room, Municipal Hall

355 West Queens Road,

North Vancouver, BC

Council Members:

Mayor Richard Walton

Councillor Roger Bassam

Councillor Mathew Bond

Councillor Jim Hanson

Councillor Robin Hicks

Councillor Doug MacKay-Dunn

Councillor Lisa Muri



NORTH VANCOUVER
DISTRICT

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355 West Queens Road, North Vancouver

AGENDA

1. ADOPTION OF THE AGENDA

1.1. January 25, 2016 Council Workshop Agenda

Recommendation:

THAT the agenda for the January 25, 2016 Council Workshop be adopted as circulated, including the addition of any items listed in the agenda addendum.

2. ADOPTION OF MINUTES

3. REPORTS FROM COUNCIL OR STAFF

3.1. Reunification Research Strategy p. 7-16 File No. 01.0470.20/001.000

Memo: Charlene Grant, General Manager – Corporate Services

3.2. Rental and Affordable Housing p. 17-18 File No. 13.6480.30/003.000

Recommendation:

THAT the January 14, 2016 report of the Deputy General Manager – Planning & Permits entitled Rental and Affordable Housing be received for information.

4. PUBLIC INPUT

(maximum of ten minutes total)

5. ADJOURNMENT

Recommendation:

THAT the January 25, 2016 Council Workshop be adjourned.

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REPORTS

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Memo

January 11, 2016
File: 01.0470.20/001.001

TO: Mayor Walton and Members of Council

FROM: Charlene Grant, GM, Corporate Services

SUBJECT: Reunification Research Strategy

The next workshop to discuss the future reunification of North Vancouver is scheduled for January 25, 2016. The aim of continuing conversation at this time is to move from the preliminary scoping stage, conducted by the North Shore Reunification Committee (Committee), to a phased research strategy to be pursued over Council's term of office.

Overview

Council last considered this topic in Committee of the Whole on July 27, 2015. At that time, Council reviewed the report of the former Committee and engaged with its members in attendance. Out of that wide-ranging discussion emerged several key messages and directions, summarized as follows:

There should be only one: There is a deeply held, shared objective among Council members to ultimately achieve amalgamation (or reunification) of the two North Vancouvers.

It is not a quick fix: It is recognized this is a long term objective that will succeed on the basis of strong evidence and community support.

Information is critical but may be elusive: It is acknowledged that there are significant barriers to accessing full information regarding City services, necessary to the analysis, as long as political support does not exist on the City's part.

Community expectations should drive the mandate: It is important to create the conditions and opportunity for informed debate that includes both District and City residents. This could take various forms at different points in the process.

Progress is possible: Despite roadblocks, Council is committed to developing an agenda to advance the goal of reunification, including a strategic approach for addressing information gaps and initiating community conversation.

Discussion and Next Steps

A research assistant was hired in September, 2015, with an early assignment of reviewing the framework established by the Committee and expanding this input with a literature review and additional research. The approach taken was to further understand municipal consolidations generally, as a prerequisite to determining the factors most relevant to the North Vancouver context. From this foundation, some fundamental conclusions were drawn which suggested the elements of the comprehensive research plan. The conclusions of this work, research plan and working strategy are presented in the summary report, *Merging Municipalities – Insights on North Vancouver Reunification* (attached).

In the January 25th workshop, staff is seeking both Council's general feedback on the report, as well as specific input in regard to:

- Whether the general direction for pursuing the issue of amalgamation reflects Council's perspective
- If the components of strategy are right
- Timing and order of priority of the work plan elements



CMG

Attachment

1. *Merging Municipalities – Insights on North Vancouver Reunification*, Summary Document, December 2015

MERGING MUNICIPALITIES

> insights on north vancouver reunification



> EXECUTIVE SUMMARY

Around the world local governments are counted on to perform a large array of functions. In Canada, these functions include political representation of citizens on local issues and providing a basket of local services, from firefighting to parks planning. In large continuous urban areas, however, it is often unclear where boundaries for political representation should begin and end, while many services that local governments are charged with providing spill between municipalities and even across entire regions.

North Vancouver has a unique municipal history, and a distinct local governmental structure. The re-merging of the District and the City, separated over a century ago, is a conspicuous and perpetual topic of debate. But upon close examination many of the broader issues around local governments' jurisdiction are present in this "reunification" debate: how do we determine which citizens a local government should represent? Why are borders drawn where they are between municipalities? And which services should local governments provide?

The push for municipal consolidation is often driven by the same imperatives: a quest for more appropriate political representation, a desire for cost efficiency in local government, or a belief that a reduction in the number of governments is best for the effective delivery of services. These, too, are present in the debate on North Vancouver reunification. North Vancouver, however, can benefit from research on previous restructurings to understand which benefits are most likely to be gained from a merger, and at what cost.

The first lesson is that local context is important. This refers to a host of factors that varies from city to city: how big the cities are; how well-developed the region is, and its mix of urban and suburban forms; which services are provided, and at what level; what form political representation takes; what the history of the cities are, including how closely they have cooperated in the past; and the attitudes of citizens towards amalgamation.

For North Vancouver, one of the most important considerations is local political structure. Municipalities in the province provide local services in conjunction with Regional Districts, a system that has been praised for its flexibility and effectiveness. In the Lower Mainland, Metro Vancouver provides many of the services that impact the region as a whole, and has the ability to add more as its members see fit. This flexibility has led to a generally well-regarded equilibrium: a multiplicity of small local governments represent comparatively small groups of citizens and attend to local matters, while Metro Vancouver takes responsibility for

tasks such as air quality, solid waste disposal, and regional planning. Indeed, one commentator noted, in comparing BC's inaction to other Canadian provinces' rush to amalgamate municipalities, that "British Columbia's position on consolidation has been attributed, in large part, to the success of the province's regional districts in responding to necessary changes in service delivery and municipal governance."

Understanding this local context informs the question of whether North Vancouver residents will benefit from an amalgamation. Because of the effectiveness of the Regional District system, many of the benefits of amalgamation that other provinces' municipalities may have realized would not apply. Importantly, this includes most of the "cost efficiency" argument: in general, the regional services that represent economies of scale are already being provided on a regional basis: liquid and solid waste disposal, water provision, and so on. Combined with the high one-time costs of merging municipalities and the tendency of unionized wages to harmonize upwards, the "cost savings" rationale for a reunification is tenuous at best.

This does not mean that reunification should be abandoned, however. The research also indicates that there are a number of areas where amalgamation results in clear benefits. One is strategic capacity: a united North Vancouver could do more than two separate municipalities. In regional forums, negotiations with external partners, and intergovernmental relations, North Vancouver would have a stronger voice and more influence. Another is North Shore transportation and planning. One municipality would be able to take a holistic view of the area, optimizing transportation and planning initiatives to reflect current work and residence patterns. Having two municipalities does not mean that services for residents are suffering, but it does mean that collectively we are missing opportunities – opportunities that could be realized by a unified local government.

A firm determination of whether reunification will be good or bad for North Vancouver may not be possible to arrive at, just as it is difficult to pick an optimal size for a municipality. But we are able to draw out the key benefits and pitfalls of a merger, and use these to inform engagement and planning on the issue. Assertions in the debate on reunification in North Vancouver have a tendency to repeat themselves; thorough study of the issue can equip council members, staff, and residents alike to have a more informed conversation.

PROPOSED REUNIFICATION RESEARCH PLAN: 2016-2018

STEP 1 // Spring 2016

ABBOTSFORD-MATSQUI CASE STUDY

Rationale:

Any reunification initiative on the North Shore must have a solid research foundation, and a study of the Abbotsford-Matsqui merger should be the starting point for this foundation. The study will inform expectations of the reunification process and results, while flagging barriers and success factors. The study's results will help guide DNV's next steps in exploration of reunification.

Summary:

The Abbotsford amalgamation is the most relevant municipal amalgamation to inform the North Vancouver reunification initiative. It took place in the same province and under the same local government / regional district system as North Vancouver operates. The two cities had close formal and informal ties, and coordinated a number of services – similar to the District and City of North Vancouver.

Goals:

- Evaluation of benefits and drawbacks of amalgamation
- Identification of:
 - key reasons for success of referendum / political willingness to amalgamate
 - administrative difficulties of the merger and best practices through the process
 - key operational steps towards reunification

Key Resources:

- Interviews with councilmembers, senior staff, consultants, and volunteers engaged with the initiative
- Scholarly research / formal evaluations of the merger

Potential Barriers:

- Time gap may limit applicability to DNV
- Few remaining senior staff/councillors available for interview
- Dearth of data and/or formal evaluation materials

STEP 2 // Summer-Fall 2016 SERVICES EVALUATION

Rationale:

The full report's preliminary research resulted in two key findings: that the areas of planning and transportation could potentially benefit from a municipal amalgamation since they exhibit "missed opportunities," and that in most other service areas there is no pressing imperative to merge. A more fulsome continuation of this research is needed to confirm these findings and help guide priorities through the reunification process.

Summary:

An exhaustive examination of every DNV service to look for benefits from amalgamation would be impractically large and costly. An investigation of planning and transportation and some shared services is realistic, however. This investigation may be able to utilize and/or update previous research, such as in shared services.

Goals:

- Further investigation into individual shared services' ability to deliver on their mandates
- Identification of missing organizational linkages (ie., Parks and Recreation)
- Examination of overlaps, gaps, inconsistencies, and missed opportunities in North Vancouver planning and transportation policy

Key Resources:

- CAO
- GM, Corporate Services
- Shared services department heads
- GM, Planning
- Planning staff

Potential Barriers:

- Difficult to accurately determine how successful shared services are (lack of metrics)
- This step may be hindered without access to City of North Vancouver information

STEP 3 // 2017

FINANCIAL METRICS INVESTIGATION

Rationale:

The full report found financial considerations to be a critical component of the reunification debate, particularly from a political and resident viewpoint. This research initiative would aim to provide clear-headed analysis on financials to allow for meaningful engagement with residents and outside partners to begin.

Summary:

The two areas that recur as political obstacles to reunification are taxation impacts and debt levels. As such, the study should focus on these two areas to help reset the debate. Further, the District has the opportunity to broaden the conversation about the financial health of local governments beyond debt levels. This step should also re-focus the financial discussion on more holistic measures of financial robustness, and integrate District initiatives such as asset management.

Since it is unlikely that major cost efficiencies will arise post-merger, this report does not recommend a professional consultants' report on the "financial feasibility" of a merger at this juncture. An important footnote is that the accuracy of this exercise's conclusions will be compromised without the full cooperation of the City of North Vancouver and a commitment to transparent sharing of financial, tax, and service data.

Goals:

- Understanding of genesis of opposition to reunification on financial grounds
- In-depth examination of tax rates differentials between the District and City and analysis of likely changes
- In-depth examination of assets and debt in the two municipalities

Key Resources:

- Managers, Finance
- CNV data, resources, and other information

Potential Barriers:

- Very limited access to CNV information

CITIZEN ENGAGEMENT

Rationale:

Much information is needed from citizens in order to understand all of the issues around amalgamation from a citizens' perspective. Particularly in the area of reunification drawbacks, District staff and council need to know which services matter most to citizens and how to ensure that satisfaction with services remains high through an amalgamation process. Further, a major knowledge gap involves "local factors" in amalgamation – how citizens engage politically with their governments, how that might change through consolidation, and in what ways North Vancouver "culture" is important and potentially strengthened and / or threatened by an amalgamation.

Summary:

Citizen engagement could potentially take many forms and would be revisited continuously as the reunification process advances. Surveys, committees, public forums, and online engagement could all be part of the process at different points. The research indicated that strong and constructive citizen involvement is crucial to a successful amalgamation initiative.

Goals:

- Identification of residents' key concerns and expectations regarding reunification
- Understanding of citizen representation function of councils, citizen participation in local government
- Document detailing major "culture" concerns among residents

Key Resources:

- Blue Ribbon committee members
- Councilmembers
- Potential committee on citizen engagement
- Communications staff
- Focus groups, surveys, etc.

Potential Barriers:

- Engagement should have direction at outset to prevent circular debate


> BEST PRACTICES


Since any degree of municipal restructuring, especially a full merger of two cities, is a difficult and extensive process, it is important to develop and adhere to guidelines for decisionmaking, consultation, and communication. These guidelines for politicians and senior staff ensure that the process of amalgamation, from inception to post-merger evaluation, is conducted thoroughly and properly. Adherence to these principles minimizes the myriad risks inherent in a policy as politically and operationally difficult as municipal amalgamation.

An evaluation of amalgamations in Australia identified several such guidelines for governance during periods of municipal re-evaluation:

- The development of a clear and robust rationale for the consolidation process;
- Meaningful consultations with all affected parties at the start and during the process of change, plus trust and “good faith” in negotiations;
- Commitment and effective leadership at both political and chief executive levels with, in the case of amalgamation, transitional arrangements for leadership agreed at the outset;
- Negotiating the form of governance of the new arrangements, noting that these are best treated as a fresh start, rather than a “take-over” by one party;
- In the case of shared services, ensuring the cooperative arrangements or newly created entities are designed to engender continuing commitment (political and managerial) and provide necessary specialist expertise;
- Recognizing that change has costs and that securing staff buy-in is critical to success;
- A realistic timetable for implementation;
- An objective, independent, and ongoing evaluation program

AGENDA INFORMATION	
<input checked="" type="checkbox"/> Workshop	Date: <u>Jan 25 2016</u>
<input type="checkbox"/> Finance & Audit	Date: _____
<input type="checkbox"/> Advisory Oversight	Date: _____
<input type="checkbox"/> Other:	Date: _____


 Dept.
 Manager


 GM/
 Director


 CAO

The District of North Vancouver REPORT TO COUNCIL

January 14, 2016

File: 13.6480.30/003.000

AUTHOR: Dan Milburn, Deputy General Manager, Planning and Permits

SUBJECT: Rental and Affordable Housing

The Committee of the Whole has recently engaged in a series of discussions with staff to assess opportunities for rental and affordable housing in the District of North Vancouver. These sessions may be summarized as follows:

November 2, 2015: Review of Rental and Affordable Housing green paper including issues and challenges, inventory and continuum of housing in the District, cost of housing and impact of transportation burden, where can we be most effective and an initial exploration of affordable housing tools.

December 1, 2015: Presentation by Metro Vancouver staff on the Draft Regional Affordable Housing Strategy and insights into operations of the Metro Vancouver Housing Corporation.

December 8, 2015: Exploration of District objectives and targets in relationship to the Draft Regional Affordable Housing Strategy goals and demand estimates.

At the upcoming **January 25, 2016** workshop, staff are seeking to:

- confirm the goals and targets re rental and affordable housing in the District;
- present the results of scenario analysis on various rental and affordable housing tools;
- gain Council feedback on a draft outline for a District Rental and Affordable Housing Strategy/Action plan; and
- discuss next steps and check in with the community.

Supporting materials to facilitate discussion which will be provided prior to the January 25th, 2016 workshop.

Respectfully submitted,



Dan Milburn
Deputy General Manager, Planning and Permits

REVIEWED WITH:		
<input type="checkbox"/> Sustainable Community Dev.	_____	
<input type="checkbox"/> Development Services	_____	
<input type="checkbox"/> Utilities	_____	
<input type="checkbox"/> Engineering Operations	_____	
<input type="checkbox"/> Parks	_____	
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<input type="checkbox"/> Facilities	_____	
<input type="checkbox"/> Human Resources	_____	
<input type="checkbox"/> Clerk's Office	_____	
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External Agencies:		
<input type="checkbox"/> Library Board	_____	
<input type="checkbox"/> NS Health	_____	
<input type="checkbox"/> RCMP	_____	
<input type="checkbox"/> NVRC	_____	
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<input type="checkbox"/> Other:	_____	