

AGENDA

COUNCIL WORKSHOP

Monday, February 24, 2020

5:00 p.m.

Committee Room, Municipal Hall

355 West Queens Road,

North Vancouver, BC

Council Members:

Mayor Mike Little

Councillor Jordan Back

Councillor Mathew Bond

Councillor Megan Curren

Councillor Betty Forbes

Councillor Jim Hanson

Councillor Lisa Muri



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COUNCIL WORKSHOP

5:00 p.m.
Monday, February 24, 2020
Committee Room, Municipal Hall,
355 West Queens Road, North Vancouver

AGENDA

1. ADOPTION OF THE AGENDA

1.1. February 24, 2020 Council Workshop Agenda

Recommendation:

THAT the agenda for the February 24, 2020 Council Workshop is adopted as circulated, including the addition of any items listed in the agenda addendum.

2. ADOPTION OF MINUTES

2.1. January 27, 2020 Council Workshop

p. 7-13

Recommendation:

THAT the minutes of the January 27, 2020 Council Workshop are adopted.

2.2. February 3, 2020 Council Workshop

p. 15-17

Recommendation:

THAT the minutes of the February 3, 2020 Council Workshop are adopted.

3. REPORTS FROM COUNCIL OR STAFF

3.1. Reserve Funds Bylaw 8418

p. 21-32

File No.

Staff Report: Manager – Business Planning and Decision Support, February 12, 2020

Attachment 1: Bylaw 8418

Recommendation:

THAT the February 12, 2020 report of the Manager – Business Planning and Decision Support entitled Reserve Funds Bylaw 8418 is received for information.

4. PUBLIC INPUT

(maximum of ten minutes total)

5. ADJOURNMENT

Recommendation:

THAT the February 24, 2020 Council Workshop is adjourned.

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MINUTES

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DISTRICT OF NORTH VANCOUVER COUNCIL WORKSHOP

Minutes of the Council Workshop for the District of North Vancouver held at 5:00 p.m. on Monday, January 27, 2020 in the Council Chambers of the District Hall, 355 West Queens Road, North Vancouver, British Columbia.

Present: Mayor M. Little
Councillor J. Back
Councillor M. Bond (5:08 pm)
Councillor M. Curren
Councillor B. Forbes
Councillor J. Hanson
Councillor L. Muri

Staff: Mr. D. Stuart, Chief Administrative Officer
Mr. G. Joyce, General Manager – Engineering, Parks & Facilities
Mr. D. Milburn, General Manager – Planning, Properties & Permits
Mr. A. Wardell, General Manager – Finance/CFO
Ms. J. Paton, Assistant General Manager – Development Planning & Engineering
Mr. R. Danyluk, Manager – Business Planning & Decision Support
Mr. J. Gordon, Manager – Administrative Services
Mr. M. Hartford, Section Manager – Development Planning
Ms. V. Grant-Smith, Project Engineer
Ms. S. Dale, Confidential Council Clerk

1. ADOPTION OF THE AGENDA

1.1. January 27, 2020 Council Workshop Agenda

MOVED by Councillor FORBES

SECONDED by Councillor BACK

THAT the agenda for the January 27, 2020 Council Workshop is adopted as circulated.

CARRIED

Absent for Vote: Councillor BOND

2. ADOPTION OF MINUTES

2.1. November 18, 2019 Council Workshop

MOVED by Councillor CURREN

SECONDED by Councillor HANSON

THAT the minutes of the November 18, 2019 Council Workshop are adopted.

CARRIED

Absent for Vote: Councillor BOND

2.2. November 25, 2019 Council Workshop

MOVED by Councillor CURREN

SECONDED by Councillor HANSON

THAT the minutes of the November 25, 2019 Council Workshop are adopted.

CARRIED

Absent for Vote: Councillor BOND

2.3. December 2, 2019 Council Workshop

MOVED by Councillor CURREN

SECONDED by Councillor HANSON

THAT the minutes of the December 2, 2019 Council Workshop are adopted.

CARRIED

Absent for Vote: Councillor BOND

2.4. December 9, 2019 Council Workshop

MOVED by Councillor CURREN

SECONDED by Councillor HANSON

THAT the minutes of the December 9, 2019 Council Workshop are adopted.

CARRIED

Absent for Vote: Councillor BOND

3. REPORTS FROM COUNCIL OR STAFF

3.1. 2020-2024 Financial Plan Workshop (Part 2) January 27, 2020

File No. Financial Plan/2020

Mr. Rick Danyluk, Manager – Business Planning & Decision Support, provided an overview of the 2020 – 2024 Financial Plan and Draft Capital Plan. He commented about the planning framework for the long-term plan, including Council direction received, legislated and historic services, strategies and asset management plan.

Mr. Danyluk highlighted changes to the new capital plan since Council last met on December 2, 2019 at the Council Workshop which include:

- Social and supportive housing is now at \$8.1 million as unallocated prior year funding is brought into the plan;
- Facilities has been adjusted for the expected timing of projects; and,
- Transportation includes a \$4 million provision for district assets realized through the Lower Lynn Interchange project.

Councillor BOND arrived at this point in the proceedings.

Mr. Danyluk mentioned the plan can be amended any time and the proposed changes to the Reserve Bylaw will improve available funding for Council's priorities.

Mr. Danyluk stated that highlights of the new capital plan over the next five years include investments of:

- Over \$48 million in transportation and mobility improvements;
- Over \$8 million to social and supportive housing;
- Over \$9 million for climate adaptation and mitigation (capacity to storm water infrastructure and continue wildfire program);
- \$43 million for Maplewood Fire and Rescue Centre which consolidates services onto a single site delivering construction and land use efficiencies;
- Over \$16 million for community facilities, arts and culture; and,
- Almost \$40 million for new parks and open spaces, including \$9 million for new facilities in Cates Park and \$14 million to upgrade and expand sport fields.

Mr. Danyluk reviewed the financial planning timeline and noted that next steps include:

- Review of the 2020-2024 Financial Plan by the Finance and Audit Committee in February;
- Introduction of the 2020-2024 Financial Plan in February; and,
- Adoption of the 2020-2024 Financial Plan in March.

Mr. Gavin Joyce, General Manager – Engineering, Parks & Facilities, provided an overview of selected new and major capital projects for the District.

Council discussion ensued and the following comments and concerns were noted:

- Opined that there is a good balance of Council directed priorities in the new capital budget that have been well articulated to the public;
- That the \$150 million for affordable housing approved in a 2018 referendum has not been included and requested further discussions;
- Expressed concern that more climate mitigation measures were not included in the 2020 draft capital plan;
- Requested an update on establishing an annual carbon budget for corporate and community carbon pollution;
- Requested a workshop to discuss natural assets;
- The expansion of the North Shore Spirit Trail into Dep Cove;
- Requested a list of topics included in the long-term financial plan;
- The need to discuss park upgrades and future planning with the Sports Council;
- Discussed options for turf fields and requested a workshop on the topic;
- The need for a youth centre in Lynn Valley; and,
- Spoke about public consultation with the community.

In response to a question from Council regarding the Iron Workers Memorial Bridge, staff advised that the District will be collaborating closely with the Ministry of Transportation and Infrastructure (MoTI) and other local municipalities.

In response to a question from Council, staff advised that Council priority items have been included in the five-year financial plan and that due to limited funding, other Council priority items are listed as not included but may be added, subject to funding availability, at Council's request.

In response to a question from Council, staff advised that there is \$1.8 million in ongoing funding for transportation and mobility.

In response to a question from Council regarding remaining available District lands to be used for modular housing, staff advised that they will report back with further information at a future Council Workshop.

In response to a question from Council regarding the long-term financial plan, staff advised that they will report back at a future Council Workshop.

In response to a question from Council regarding the replacement of the Ron Andrews Community Recreation Centre, staff advised that they are working on an overview of all community centres and will be reporting back to Council with a facilities plan and the proposed timing for all projects.

Public Input:

Mr. Peter Teevan, 1900 Block Indian River Crescent:

- Spoke to the need for future transportation and infrastructure maintenance; and,
- Requested that the District work with the Tsleil-Waututh Nation on the design of the Whey-ah-wichen Centre.

Mr. Corrie Kost, 2800 Block Colwood Drive:

- Questioned how much capital renewal is from growth; and,
- Spoke regarding powered bicycles and commented that modes of transportation will change in the future.

Member of Force of Nature Alliance:

- Spoke regarding climate mitigation, adaptation and hazards;
- Requested that more funds be allocated towards mitigation; and,
- Questioned if the CEEP financial plan will be included in the 2020 budget.

3.2. 1310 Monashee Drive – Preliminary Planning Application for Six-Storey Mixed-use Development Including Student and Employee Rental Housing
File No. 08.3060.10/005.19

Mr. Michael Hartford, Section Manager – Development Planning, provided an overview on a preliminary application at 1310 Monashee Drive. Mr. Hartford advised that Darwin Properties is proposing a mixed-use development with two six-storey buildings and 330 rental housing units for students and employees of Capilano University. To proceed, the proposal would require Council consideration of an Official Community Plan (OCP) and rezoning amendment for the site.

Mr. Hartford detailed the site and proposal highlighting the following:

- The property is just under three acres in size and located on the east side of Monashee Drive;
- The site is privately-owned and currently occupied by a dog kennel and dog day-care facility and is designated in the OCP as Parks, Open Space and Natural Areas;

- The Lynnmour/Inter-River Local Plan reference policy document designates the site for Open Space and while the plan encourages the retention of the existing dog kennel use on the site, it also identifies a general need for student housing and local-serving commercial spaces;
- Given the land use designation, the proposal would require an OCP amendment to accommodate the mixed-use development;
- Zoning for the site would need to be updated from its current zoning for Parks, Recreation and Open Space to a new CD Zone to accommodate a density of approximately 1.76 FSR;
- The site is located in Development Permit Areas for Form and Character, Energy and Water Conservation and Greenhouse Gas Emission Reduction, Protection of the Natural Environment and Slope Hazard;
- A detailed review of development permit issues and applicable guidelines will be required should the proposal proceed to the detailed application stage;
- The property is located adjacent to the Capilano University campus and immediately east of the campus Northern Transit Exchange which will be the primary bus terminal for Capilano University following the implementation of the new Rapid Bus service;
- To the east is the West Seymour Escarpment and a well-used bicycle and walking trail;
- A property owned by Capilano University but not currently part of the campus, is located to the north and is currently zoned for cemetery use;
- The university does not currently have any on-campus student or employee housing available for the 12,600 users of the institution and the Capilano University Campus Master Plan identifies a need for housing for students and staff;
- The applicant is current working with the university to finalize a partnership agreement;
- The project includes two, six-storey buildings with 330 rental housing units;
- Approximately 17,000 sq. ft. of commercial space and 2,600 sq. ft. of amenity space is proposed on the ground floors of the buildings and possible commercial uses could include a grocery store, café, restaurant and pub;
- The proposed rental units include a mix of layouts from studios at approximately 352 sq. ft. to three bedroom units of just over 1000 sq. ft.;
- A housing agreement would secure the units as rental in perpetuity and restrict tenure to students and employees of the university;
- 217 vehicle parking spaces are proposed in a one-level underground parking garage with access from Monashee Drive at the north property line;
- The site has good access to the Northern Transit Exchange;
- 660 bicycle parking spaces are proposed at a ratio of two per unit as well as end-of-trip facilities;
- The applicant is working with CMHC to secure construction financing for the project which requires fulfilling certain affordability, sustainability, accessibility and transit criteria, all of which assist in meeting District development objectives;
- Proposed rents in the project have not been finalized and based on a review of Capilano University, staff incomes and existing nearby rental and off-campus housing options the applicant has suggested that rents can generally be considered affordable for Capilano University staff and students; and,

- Final rent targets will be resolved as part of the detailed application and prior to the bylaws coming forward for Council consideration.

Council discussion ensued and the following comments and concerns were noted:

- The need for a Housing Agreement to restrict occupancy to students and employees of Capilano University;
- The impact on properties at the bottom of the West Seymour Escarpment;
- Questioned if the site can be safely developed or if any slope stability and site drainage measures are required;
- The issue of affordability for student renters;
- Questioned if the proposed commercial space can be supported by Capilano University students, employees and faculty;
- Expressed concern with regard to the number of parking stalls proposed as there may not be as much of a need for vehicles;
- The importance for Capilano University to be able to attract International students;
- The need to consider what International students are able to afford versus local residents;
- Questioned how rental rates will be determined;
- Transportation issues may be relieved as students and employees will not have to commute;
- Suggested that the Rental, Social and Affordable Housing Task Force review the proposed application;
- Encouraged forward thinking projects such as carbon neutral housing;
- Opined that student housing provides a supportive, safe and comfortable community environment;
- Noted that the Capilano University Campus Master Plan has been publically released;
- Questioned if the parking lots may be used for housing in the future;
- Questioned how rent increases would be applied for student housing;
- Spoke in support of the proposed bicycle parking spaces;
- Noted that convenience and safety is important; and,
- Discussed funding for this option and how it will be secured.

Mayor LITTLE left the meeting at 6:52 pm and Councillor CURREN assumed the chair.

Mayor LITTLE returned to the meeting at 6:56 pm.

Council discussion continued and the following comments and concerns were noted:

- Questioned if income qualification is required;
- Suggested that signage and notification be placed on Mount Seymour Parkway;
- Suggested that Council meet with the students of Capilano University to understand their needs;
- Encouraged the University to determine rental rates;
- Spoke to the implementation of TransLink's new Rapid Bus service on the North Shore and expressed concern with the termination of the existing #239 Park Royal-CapilanoU bus; and,

- The need for a dedicated shuttle to and from the University.

Public Input:

Mr. Corrie Kost, 2800 Block Colwood Drive:

- Commented that this is private property and consequently any increase to the value of the property should capture 50-100% of the uplift.

A District Resident:

- Spoke to the importance of considering the topography of the property; and,
- Questioned how student housing will be regulated.

Mr. Peter Teevan, 1900 Block Indian River Crescent:

- Spoke in support of the proposed application;
- Expressed concern that the student housing will not be affordable;
- Noted that it is difficult to find affordable rental units; and,
- Noted the loss of the dog kennel and dog day-care to the community and hopes that it can relocate.

Mr. Eric Anderson, 2500 Block Derbyshire Way:

- Expressed concern with parking issues; and,
- Expressed concern with the proposed design.

Mr. Oliver Webb, President – Darwin Properties:

- Noted that the proposed development is in its early stages; and,
- Commented that the majority of students and faculty should be able to afford the rent based on double occupancy and current staff wages.

4. ADJOURNMENT

MOVED by Councillor BACK

SECONDED by Councillor CURREN

THAT the January 27, 2020 Council Workshop is adjourned.

CARRIED
(7:22 p.m.)

Mayor

Municipal Clerk

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DISTRICT OF NORTH VANCOUVER COUNCIL WORKSHOP

Minutes of the Council Workshop for the District of North Vancouver held at 5:03 p.m. on Monday, February 3, 2020 in the Committee Room of the District Hall, 355 West Queens Road, North Vancouver, British Columbia.

Present: Mayor M. Little
Councillor J. Back
Councillor M. Bond
Councillor M. Curren
Councillor B. Forbes
Councillor J. Hanson
Councillor L. Muri

Staff: Mr. D. Stuart, Chief Administrative Officer
Mr. G. Joyce, General Manager – Engineering, Parks & Facilities
Mr. D. Milburn, General Manager – Planning, Properties & Permits
Mr. A. Wardell, General Manager – Finance/CFO
Ms. T. Atva, Manager – Community Planning
Mr. R. Danyluk, Manager – Financial Planning
Ms. S. Simkin, Acting Deputy Municipal Clerk
Ms. S. Dale, Confidential Council Clerk

Also in

Attendance: Mr. Jason Emmert, Senior Planner – Metro Vancouver
Ms. Heather McNell, General Manager – Regional Planning and Housing
Services – Metro Vancouver
Mr. Conor Reynolds, Division Manager – Air Quality & Climate Change Policy –
Metro Vancouver

1. **ADOPTION OF THE AGENDA**

1.1. **February 3, 2020 Council Workshop Agenda**

MOVED by Councillor CURREN

SECONDED by Councillor FORBES

THAT the agenda for the February 3, 2020 Council Workshop is adopted as circulated.

CARRIED

2. **ADOPTION OF MINUTES**

2.1. **December 2, 2019 Council Workshop**

MOVED by Councillor BACK

SECONDED by Councillor CURREN

THAT the minutes of the December 2, 2019 Council Workshop are adopted.

CARRIED

2.2. December 9, 2019 Council Workshop

MOVED by Councillor BACK

SECONDED by Councillor CURREN

THAT the minutes of the December 9, 2019 Council Workshop are adopted.

CARRIED

3. REPORTS FROM COUNCIL OR STAFF

3.1. Metro Vancouver 2050 Regional Growth Strategy and Climate 2050 Update File No. 13.6440.10/000.000

Mr. Jason Emmert, Ms. Heather McNell and Mr. Conor Reynolds – Metro Vancouver, provided an update on the progress towards the new regional growth strategy, Metro 2050 and the regional climate strategy, Climate 2050. They advised that Metro 2050 and Climate 2050 represents a collaborative effort by Metro Vancouver, its member jurisdictions and other key stakeholders to plan for the region's future. These regional policy documents, in addition to others such as Transport 2050, illustrate the region's vision for land use, climate and transportation planning and helps to support the development and implementation of local plans and policies.

In response to a question from Council, staff from Metro Vancouver advised that the Conservation and Recreation land use designation is intended to help protect the important environmental and recreation areas throughout the region.

In response to a question from Council, staff from Metro Vancouver advised that input from residents and community groups can use the Metro 2050 Comment Form to comment on what is working and where the regional growth strategy could be improved and this form can be found at metrovancover.org.

In response to a question from Council, staff from Metro Vancouver advised that to respond to challenges of managing growth the Regional Growth Strategy highlights five key goals as follows:

- Create a compact urban area;
- Support a sustainable economy;
- Protect the environment and respond to climate change impacts;
- Develop complete communities; and,
- Support sustainable transportation choices.

Council discussion ensued and the following comments and concerns were noted:

- Suggested working with District staff to promote best practices relating to land use planning;
- Commented that Metro Vancouver, First Nations and adjacent municipalities should coordinate with each other to ensure that the Regional Growth Strategy, the Official Community Plan and First Nation's Land Management Plan are respectful and supportive of each other;
- Spoke regarding transit oriented affordable housing;

- Commented on the issue of affordability and the challenge to live and work in the same community;
- Expressed concern with transportation and mobility issues;
- Expressed concern with urban sprawl and noted that it extends commuting times;
- Suggested incentivizing municipalities to protect their forested areas and the importance of retaining greenspace;
- Expressed concern about meeting target demands and the importance of education and policy direction;
- Suggested focusing on enhancing natural assets;
- Suggested consulting the Province to address the issue of reducing green house gas emissions;
- Requested an update on the carbon budget;
- Commented on the impact of making small changes; and,
- Questioned what Metro Vancouver is doing to demonstrate leadership in responding to climate change.

Public Input:

Mr. Peter Teevan, 1900 Block Indian River Crescent:

- Spoke to the challenges of managing growth and pursuing a carbon neutral region by 2050.

Mr. Corrie Kost, 2800 Block Colwood Drive:

- Spoke regarding regional greenhouse gas targets and trends;
- Suggested that the graph presented be updated to include the current population; and,
- Opined that thinking outside the box will be critical in addressing the climate and ecological emergency.

A District Resident:

- Commented that many residents think their actions won't make a difference; and,
- Commented on the importance of educating the community and providing them with resources and tools regarding climate action literacy.

Mr. Gavin Joyce, General Manager – Engineering, Parks & Facilities, reported on the repair of the water main break at Ramsey Road and Coleman Street that occurred on February 1, 2020.

4. ADJOURNMENT

MOVED by Councillor FORBES

SECONDED by Councillor BACK

THAT the February 3, 2020 Council Workshop is adjourned.

CARRIED
(6:34 p.m.)

Mayor

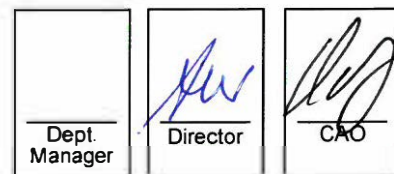
Municipal Clerk

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REPORTS

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COUNCIL AGENDA/INFORMATION			
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The District of North Vancouver INFORMATION REPORT TO COUNCIL

February 12, 2020

File:

Tracking Number: RCA -

AUTHOR: Rick Danyluk, Manager Business Planning and Decision Support

SUBJECT: Reserve Funds Bylaw 8418

RECOMMENDATION:

That this report be received for information.

REASON FOR REPORT:

To seek feedback and direction on Reserve Funds Bylaw 8418 so it can be brought back for adoption along with the 2020 – 2024 Financial Plan Bylaw in March.

SUMMARY:

Since adoption of the Official Community Plan (OCP) the District has been following a number of best practices in financial planning which are embedded in the OCP, financial plans and Asset Management Strategy. The new reserve bylaw supports these best practices and provides one of the foundations for sustainable financial planning.

Staff reviewed existing reserve funds and identified an opportunity to consolidate and realign them into a single bylaw to realize the following benefits:

1. Harmonize and provide a clear understanding of the purpose of the reserves
2. Re-align reserve funds to support Council directions and long term plans
3. Establish a regular review of reserves through the financial planning process to confirm appropriate contributions and minimum and optimum reserve fund levels

BACKGROUND:

Reserve funds have not been reviewed since before the adoption of the OCP. Staff initiated a review in 2018. A first draft of an updated reserve funds bylaw was presented at a Council workshop last November. Under this bylaw all capital, growth, land and housing reserves become statutory reserves. Operating and risk management reserves must be more thoroughly reviewed before these funds are considered for inclusion in the bylaw.

EXISTING POLICY:

The District has a number of reserve funds which are now proposed to be repealed, terminated, and or established in the new reserve funds bylaw. Changes impacting existing bylaws are noted below. A supporting reserve policy will be created and reviewed with the Finance and Audit Committee in the spring of 2020. The reserve bylaw defines the purpose of the reserves and the policy will add additional information including funding sources and a rationale for minimum and optimal reserve levels.

Existing bylaws / funds	Changes
Land Opportunity Fund Bylaw 7706	This bylaw will be repealed and replaced by the new "Land Sale and Acquisition" reserve fund which will be established under the proposed new Reserve Funds Bylaw.
Infrastructure Replacement Reserve Fund Bylaw 7707	This bylaw will be repealed and replaced by the new "Infrastructure" reserve fund which will be established under the proposed new Reserve Funds Bylaw.
New Capital and Innovation Reserve Fund Bylaw 7706	This bylaw will be repealed and replaced by three new reserve funds: Transportation and Mobility, Community Health and Safety, and Climate and Innovation each of which will be established under the proposed new Reserve Funds Bylaw. All of the funds currently in the New Capital and Innovation Reserve will be transferred to the Transportation and Mobility reserve fund.
Trails and Traffic Management Reserve Bylaw 7780	The reserve will be terminated at the end of 2020 following the allocation of remaining funds in the financial plan. The financial plan will reflect the transfer / allocation of the funds to the Transportation and Mobility reserve fund for presentation purposes.
Parkland Acquisition Reserve Bylaw 6157	This bylaw will be repealed and replaced by the new Parkland Acquisition reserve fund which will be established under the proposed new Reserve Funds Bylaw.
Public Art Program Reserve Bylaw 7156	This bylaw will be repealed and replaced by the new Community Amenity Contribution (CAC's) reserve fund which will be established under the proposed new Reserve Funds Bylaw.
Development Cost Charges (DCC's)	The proposed new Reserve Funds Bylaw establishes reserve funds for each category of DCCs, including reserves for road DCCs, sanitary sewer DCCs, water DCCs, drainage DCCs, parks DCCs and other development charges.
Local Improvement Reserve Bylaw 1606	This bylaw will be repealed and replaced by the new Local Improvement reserve fund which will be

	established under the proposed new Reserve Funds Bylaw. The total amount in the fund is no longer required and will be reduced to \$250k from \$4.1 million. The balance of the funds will be transferred to the Transportation and Mobility reserve fund.
Recreation and Protective Services Reserves (established through the financial plan)	These reserves accumulated surplus from Recreation and Protective Services operations. The reserves will be terminated and remaining funds (\$5.5 million) will be transferred to the Community Health and Safety reserve fund which will be established under the proposed new Reserve Funds Bylaw.

ANALYSIS:

In preparing this report, staff reviewed Government Finance Officer Association (GFOA) best practices, local municipal practices and the District's existing reserve funds and bylaws. The review identified an opportunity to consolidate and restructure the reserves into a single bylaw to realize the following benefits:

- Provide a clear understanding of the purpose of the reserves in a single bylaw
- Harmonize the reserve funds
- Re-align reserve funds to support Council directions and long term plans
- Establish a regular review of reserves to confirm appropriate contributions, and minimum and optimum reserve levels

Reserves are like savings accounts, used to accumulate funds from current revenues or other sources over time to fund future investments and to mitigate risks. Reserves are one of the foundations for sustainable financial planning and the District maintains four types:

- Operating reserves to mitigate risk and enable an appropriate response to adverse events
- Renewal capital reserves to enable the District to maintain existing assets in a state of good repair
- Land and housing reserves to preserve the value of the District's lands and support investments in social and supportive housing
- New capital and growth management (development) reserves to support investments in transportation and mobility, community health and safety, climate mitigation and innovation and to fund financial impacts as the community grows.

The proposed bylaw includes a complete list of the District's capital, growth, land and housing reserves. Opening balances are estimated and reflect Council priorities included in the 2020 to 2024 Draft Financial Plan and adhere to applicable legislation.

Reserve funds have trended upwards over the last few years. While estimated opening balances are \$140.0 million in 2020 (\$131.1 million 2019) this trend will change in the near term as capital plan appropriations exceed reserve fund contributions over the next five

years. Fund balances vary depending upon scope and timing of capital, development activity, risk assessments and adjustments made through the budget process. Prudence requires minimum levels be maintained to ensure the organization's capacity to react to unforeseen events and sustain levels of service to the community. Projected ending balances are likely understated as surplus from completed projects (~5% of capital plan appropriations) are not reflected.

Table A: Capital Reserve Fund Balances (000s)

	Total	Existing Capital	Land and Housing	New Capital	Develop.
Available funds					
Opening balances Jan 1, 2020	\$ 139,980	\$ 75,630	\$ 10,160	\$ 12,980	\$ 41,210
Contributions to reserves	281,007	216,172	12,642	17,736	34,457
	\$ 420,987	\$ 291,802	\$ 22,802	\$ 30,716	\$ 75,667
Use of funds					
Capital plan appropriations	\$ 335,269	\$ 241,939	\$ 11,445	\$ 26,536	\$ 55,349
Debt repayments	8,285	8,285	-	-	-
	\$ 343,554	\$ 250,224	\$ 11,445	\$ 26,536	\$ 55,349
Ending balances Dec 31, 2024	\$ 77,433	\$ 41,578	\$ 11,357	\$ 4,180	\$ 20,318

Timing/Approval Process:

The Reserve Funds Bylaw is reflected in the 2020 to 2024 Draft Financial Plan and its adoption supports appropriations included in the financial plan. It's recommended that the new bylaw be adopted at the same time as the financial plan bylaw.

Concurrence:

This bylaw has been reviewed with the Engineering, Development and Legal Services. The draft bylaw was reviewed with Council at a public meeting last November.

Financial Impacts:

Establishing a single reserve bylaw clearly establishes the purpose of the District's reserve funds and establishes ongoing funding sources for priority investments. The bylaw provides a foundation for sustainable financial planning and a structure for adjustments as resources are aligned with the long term vision for the community.

Details of the District's reserves are shown in Table B (attached). Ongoing contributions to renewal capital reserves is \$41 million in 2020 reaching \$44 million by 2024 and for new capital is \$2.4 million in 2020 reaching \$4.6 million by 2024. Contributions to land and housing reserves vary based on land income and are \$2.8 million in 2020 and end at \$2.4 million in 2024. Council direction through financial plan amendments provide opportunity for further adjustments to these contributions.

Liability/Risk:

Clearly defining the purpose of reserve funds reduces financial risk, supports transparency in the District's finances and provides opportunities for more meaningful engagement with the community. The operating and risk management reserves included in the District's financial

statements are currently excluded from the reserves bylaw pending a more thorough review of the District's risk profile including both community and corporate risks.

Social Policy Implications:

The reserve bylaw establishes reserve funds supporting priority investments in child care and seniors care (CAC's and lands) and social and supportive housing (CAC's, housing, and lands), as well as ongoing funding sources for new investments in transportation and mobility and community health and safety.

Environmental Impact:

The reserve bylaw establishes a reserve fund for climate mitigation measures that promote greenhouse gas reduction, energy conservation, carbon neutrality and ecological improvements. Renewal capital reserves include climate adaptation measures for existing assets.

Public Input:

The draft reserve bylaw was presented to Council at a public workshop last November and has been discussed through financial plan workshops on the capital plan in December and January. Public input on the financial plan will be received up until February 24 and there will be future opportunities for input through financial plan amendments in the spring and fall.

Conclusion:

The proposed reserve bylaw defines the purpose of the reserve funds, re-aligns funds to support Council directions and long term plans, and establishes a regular review to confirm appropriate contributions and minimum and optimum reserve fund levels.

Options:

Option 1. Adopt Reserve Funds Bylaw 8418

Option 2. Do not adopt the new bylaw, restate the Financial Plan to reflect existing bylaws.

Rick Danyluk, Manager Business Planning and Decision Support

<u>REVIEWED WITH:</u>	<u>REVIEWED WITH:</u>	<u>REVIEWED WITH:</u>	<u>REVIEWED WITH:</u>
<input type="checkbox"/> Sustainable Community Development	<input type="checkbox"/> Clerk's Office	External Agencies:	Advisory Committees:
<input type="checkbox"/> Development Services	<input type="checkbox"/> Corporate Services	<input type="checkbox"/> Library Board	<input type="checkbox"/> _____
<input type="checkbox"/> Utilities	<input type="checkbox"/> Communications	<input type="checkbox"/> NS Health	<input type="checkbox"/> _____
<input type="checkbox"/> Engineering Operations	<input type="checkbox"/> Finance	<input type="checkbox"/> RCMP	<input type="checkbox"/> _____
<input type="checkbox"/> Parks & Environment	<input type="checkbox"/> Fire Services	<input type="checkbox"/> Recreation Commission	
<input type="checkbox"/> Economic Development	<input type="checkbox"/> Human resources	<input type="checkbox"/> Other: _____	
	<input type="checkbox"/> ITS		
	<input checked="" type="checkbox"/> Solicitor		
	<input type="checkbox"/> GIS		

Table B – Capital Reserve Fund Balances Details (000s)

	Total	Existing Capital			Land and Housing		New Capital				Development	
		Infrastructure	Fleet and Equipment	Utilities	Land	Housing	Transportation and Mobility	Community Health and Safety	Climate and Innovation	Local Improvement	Development Cost Charges (DCC and Other)	Community Amenity Contributions (CAC's)
Available Funds												
Ending balances December 31, 2019	134,240	34,150	3,890	37,590	4,460	5,700	2,940		200	4,100	24,650	16,560
Transfers	5,740						4,050	5,540		(3,850)		
Opening balances January 1, 2020	139,980	34,150	3,890	37,590	4,460	5,700	6,990	5,540	200	250	24,650	16,560
Contributions to reserve funds:												
2020	62,188	20,885	2,115	18,041	2,301	510	1,818	281	322		4,749	11,165
2021	53,331	21,946	2,110	18,219	2,130	520	2,282	384	422		4,608	709
2022	55,379	23,058	2,146	19,014	1,879	531	2,551	499	522		4,668	512
2023	53,286	24,460	2,182	17,883	1,847	541	2,821	627	622		1,874	428
2024	56,822	25,889	2,211	16,015	1,830	552	3,094	767	722		3,716	2,027
Internal borrowing (1)	-	10,000	(2,000)	(8,000)								
	281,006	126,237	8,763	81,172	9,988	2,654	12,567	2,559	2,611	-	19,615	14,842
	420,986	160,387	12,653	118,762	14,448	8,354	19,557	8,099	2,811	250	44,265	31,402
Use of funds												
Capital plan appropriations												
2020	69,699	28,820	2,938	19,431		3,684	5,305	505	453		7,016	1,547
2021	85,357	36,754	2,430	16,405	3,300	3,114	5,189	6,570	563		6,503	4,529
2022	55,465	27,148	903	14,237		673	2,300		363		6,829	3,012
2023	69,182	34,836	2,548	16,278		674	2,750		363		6,834	4,899
2024	55,723	23,318	1,658	14,392		-	2,000		175		6,654	7,526
Debt repayments												
2020	990	990										
2021	990	990										
2022	990	990										
2023	2,352	2,352										
2024	2,806	2,806										
	343,554	159,005	10,475	80,744	3,300	8,145	17,544	7,075	1,917	-	33,836	21,513
Ending balances December 31, 2024	77,433	1,382	2,178	38,018	11,148	209	2,013	1,024	894	250	10,429	9,889

Notes:

1) If required. Ending balances do not reflect surplus typically returned from capital projects (~5%).

The Corporation of the District of North Vancouver

Bylaw 8418

A bylaw to establish reserve funds for specific purposes

The Council for The Corporation of the District of North Vancouver enacts as follows:

Citation

1. This bylaw may be cited as "Reserve Funds Bylaw 8418, 2020".

Establishment of Reserve Funds

2. Reserve Funds are established as named and for the purposes listed in Schedule A as attached to this bylaw. This bylaw will be reviewed on an annual basis to ensure the reserve funds remain aligned with community priorities and projected fund balances support the Long-term Financial Plan.

Definitions

3. In this bylaw:

"Capital" means new capital, capital upgrades, capital maintenance and renewal capital;

"New Capital" means the acquisition of additional assets, or capacity increase of existing assets by purchasing, construction or contribution. New capital is typically supported when projected demand exceeds current capacity or a new service is being introduced. Normally it will result in additional operating and maintenance costs;

"Capital Upgrades" means projects that improve the service potential of an existing asset. Upgrades bring an asset to its target functional condition and include works performed to meet new regulations and climate adaptation measures;

"Capital Maintenance" means works to upkeep existing assets to fully realize the original anticipated service potential. Capital maintenance does not extend asset life, nor does it add to the asset's value. However, a lack of maintenance may reduce the asset's life and value;

"Renewal Capital" means projects that return the service capability of an existing asset to its original level. Replacements of existing assets limited to 'like for like' or to modern equivalents are generally considered renewal;

"Climate Adaptation" means initiatives or actions in response to actual or projected

changes in climate that reduce the effects of climate change on built, natural, and social systems and take advantage of potential opportunities. Examples include: modifying building codes to account for future climatic conditions, constructing new buildings at higher levels to prevent damage from flooding events, building dykes and berms to account for rising sea, creek and river levels, increasing the resiliency of municipal infrastructure to handle severe storms, providing heat refuges during heat waves, and planting drought- and flood-tolerant tree species;

“Climate Mitigation” means reducing greenhouse gas emissions using policy, regulatory, and project-based measures. Also refers to measures that enable natural systems to naturally sequester greenhouse gases (e.g., preventing forested areas from being developed into to urban cities). These actions prevent future climate change from happening so that fewer adaptation measures are needed by local municipalities. Examples include: renewable energy programs, energy efficiency frameworks, and land-use policies;

“District” means the District of North Vancouver;

“Innovation Projects” means projects that use new methods, ideas or ways of doing something to create something of value for the community. Projects may include introducing something new, making operations more safe and reliable, or building on past project successes. Projects generating a positive return on investment will be used to secure funding for further project development;

“Social Housing” means housing that a government or non-profit housing partner owns and operates including Supportive Housing, Low Income Households and Low-to-Moderate Income Households. Additional Social Housing eligibility criteria may include different classes of persons with special needs such as seniors, families, youth, students, and people with accessibility challenges, or others needing shelter subsidies.

Transfers

4. The sum of \$3,850,000 from the Local Improvement Fund be transferred to the Transportation and Mobility reserve fund in this bylaw.
5. The sum of \$200,000 from the New Capital and Innovation Fund, and all money returned or accrued to this fund, be transferred to the Transportation and Mobility reserve fund in this bylaw.
6. The sum of \$3,590,000 from the Recreation reserve, and all money returned or accrued to this fund, be transferred to the Community Health and Safety reserve fund in this bylaw.
7. The sum of \$1,950,000 from the Protective Services reserve, and all money returned or accrued to this fund, be transferred to the Community Health and Safety reserve

fund in this bylaw.

READ a first time

READ a second time

READ a third time

ADOPTED

Mayor

Municipal Clerk

Certified a true copy

Municipal Clerk

Schedule A to Bylaw 8418

No.	Reserve Fund Name	Reserve Fund Purpose
	Existing Capital	
1	Infrastructure	To accumulate funding for capital renewal, upgrade, and maintenance projects including transportation, parks, buildings, library, and technology assets. This reserve will also be used to repay debt and the interest on such debt incurred in order to finance the replacement of major capital assets.
2	Utilities -Water	To accumulate funding for capital renewal, upgrade, and maintenance projects for existing water assets. This reserve will also be used to smooth ratepayer impacts from increases to regional (GVWD) water charges.
3	Utilities - Sewer	To accumulate funding for capital renewal, upgrade, and maintenance projects for existing sewer assets. . This reserve will also be used to smooth ratepayer impacts from increases to regional (GVS&DD) liquid waste charges.
4	Utilities - Drainage	To accumulate funding for capital renewal, upgrade, and maintenance projects for existing drainage assets.
4	Utilities - Solid Waste	To accumulate funding for capital renewal, upgrade, and maintenance projects for existing solid waste assets. This reserve will also be used to smooth ratepayer impacts from increases to regional solid waste charges.
5	Vehicles and Equipment	To accumulate funding for the replacement of existing vehicles and equipment included in the District's fleet.
	New Capital, Initiatives and Growth	
6	Transportation and Mobility	To accumulate funding for transportation and mobility capital projects.
7	Community Health and Safety	To accumulate funding for recreation, parks, culture, and safety capital projects and initiatives.
8	Climate and Innovation	To accumulate funding for climate mitigation initiatives that promote greenhouse gas reduction, energy conservation,

No.	Reserve Fund Name	Reserve Fund Purpose
		carbon neutrality and ecological improvements. Innovation projects are also funded here.
9	Other New Capital	To accumulate funding in the future for other new capital
9	Development Cost Charges (DCC's) - Roads	To accumulate development cost charges for road capital projects including pedestrian/bike corridor improvements, sidewalk, boulevard and street improvements, bike lanes, and intersection and traffic signal upgrades.
10	Development Cost Charges (DCC's) – Sanitary Sewers	To accumulate development cost charges for sanitary sewer capital projects including upgrades to existing sewers in centres, sewage lift station and sanitary sewer upgrading programs located outside the centres.
11	Development Cost Charges (DCC's) – Water	To accumulate development cost charges for water capital projects including water main upgrades, pressure regulating valve stations upgrades, water pumping stations upgrading and water reservoirs.
12	Development Cost Charges (DCC's) – Drainage	To accumulate development cost charges for drainage capital projects including upsizing storm sewers and culverts, creek works, and flood and debris hazard mitigation.
13	Development Cost Charges (DCC's) – Parks	To accumulate development cost charges for park capital projects including acquiring and developing parkland for parks, trails, linear parks and sports fields.
14	Other Development Charges	To accumulate other development charges , such as those arising under First Nation service agreements, for capital projects.
15	Community Amenity Contributions (CAC's)	To accumulate community amenity contributions for amenity projects including community facilities, facility improvements, child care facilities, seniors care facilities, social housing, heritage conservation, public art, parkland or park improvements, pedestrian linkages, cycling linkages, other transportation amenities, streetscapes, public plaza or other public realm linkages, environmental or sustainability measures.

No.	Reserve Fund Name	Reserve Fund Purpose
16	Local Improvement	To finance the residents share of Local Area Service Works.
17	Tax Growth	To accumulate growth in property tax revenue to smooth future impacts on services, including ongoing costs related to new assets and increased demand on services. Any projected surplus over a five-year period may be reallocated to new capital priorities.
Lands and Housing		
18	Land Sale	To accumulate proceeds from the sale of land and improvements to acquire land and improvements or pay any debt remaining in relation to the sale of land and improvements.
19	Land Income	To accumulate income earned from real property for the purpose of planning, acquiring, and disposing of land and improvements as well as servicing and other activities which improve land value.
20	Parkland Acquisition	To accumulate proceeds received from the sale of parkland for the purpose of acquiring parkland
21	Housing	To accumulate funding for the District's share of social housing projects. Other reserve funds in this bylaw may also be used to support housing projects, including Land Sale, Land Income and Community Amenity Contributions.