

**DATE:** January 23, 2020**FILE:** 1700-02/2020/500-503**TO:** Chair and Directors  
Electoral Areas Services CommitteeSupported by Russell Dyson  
Chief Administrative Officer**FROM:** Russell Dyson  
Chief Administrative Officer***R. Dyson*****RE: 2020 - 2024 Financial Plan – Planning Services – Functions 500 – 503****Purpose**

To provide the Electoral Areas Services Committee with the proposed 2020 - 2024 Financial Plan and work plan highlights for the planning service, functions 500 – 503 (planning, geographic information systems, bylaw enforcement, and policy planning).

**Recommendation from the Chief Administrative Officer:**

THAT the proposed 2020 – 2024 financial plan for the planning service, functions 500 – 503, be approved.

**Executive Summary**

- No change is proposed to the 2020 tax requisition from 2019.
- Based on an estimated residential tax rate of \$0.2804 per \$1,000 of assessed value in 2020, the tax impact for a dwelling assessed at \$500,000 will be \$140.20 (\$8.55 less than in 2019).
- Personnel costs are reduced within the two planning functions (500 and 503) as staffing resources have been reassigned to the Regional Growth Strategy service (function 512).
- An increase of \$168,666 is proposed for operating expenses across the planning service for 2020. This represents an increase from 2019 levels of 18 per cent and is proposed for public outreach, communication initiatives, software site licences and professional fees related to key projects. Given the volume of work anticipated in 2020, staff will need to retain consultant assistance.
- A capital expenditure of \$30,000 is proposed in 2020 for a fleet vehicle replacement.

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**Stakeholder Distribution (Upon Agenda Publication)**

None	✓
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**Board Strategic Drivers**

The Comox Valley Regional District (CVRD) Board has set four strategic drivers to guide service delivery. Not all services will be influenced by all drivers. Table 1 notes the degree of influence the drivers have on projects and work plans.

**Table 1: Strategic Drivers**


<p><b>Fiscal responsibility:</b></p> <ul style="list-style-type: none"> <li>• Holding the requisition at 2019 levels by using existing reserve resources resulting from previous accumulation of prior year surpluses</li> <li>• Seeking multiple grant opportunities to offset impact on requisition (coastal flood mapping and mitigation, rural climate change initiatives)</li> </ul>	<p><b>Climate crisis and environmental stewardship and protection:</b></p> <ul style="list-style-type: none"> <li>• Coastal flood mapping and mitigation planning</li> <li>• Update of natural environment and hazardous condition development permit area guidelines</li> <li>• Proposed update of the Rural Community Climate Action Plan</li> </ul>
<p><b>Community partnerships:</b></p> <ul style="list-style-type: none"> <li>• Ongoing collaboration with RCMP and Island Health within function 502 (bylaw enforcement)</li> <li>• Outreach to the City of Courtenay and Town of Comox on the Coastal Flood project and commitment to share data</li> </ul>	<p><b>Indigenous relations:</b></p> <ul style="list-style-type: none"> <li>• Outreach to K’ómoks First Nation on the Coastal flood project and commitment to share data</li> </ul>

**Financial Plan Overview**

The 2020 - 2024 proposed five-year financial plan for the planning service, functions 500 - 503, including service establishment information, the requisition summary and the operating and capital budgets, is available within the full proposed budget binder, provided in both searchable PDF and e-reader formats, located on the CVRD financial plan web page at [www.comoxvalleyrd.ca/currentbudget](http://www.comoxvalleyrd.ca/currentbudget).

Table 2 summarizes the 2020 proposed budget as compared to the 2019 adopted budget. Significant variances from the 2019 adopted budget are discussed in the financial plan sections that follow.

Table 2: Financial Plan Highlights

		#500 Planning		
		2019 Budget	2020 Proposed Budget	Increase (Decrease)
<b>Operating</b>				
<b>Revenue</b>				
Grants In Lieu	4,400	4,400	-	
Senior Government Grants	252,720	251,663	(1,057)	
Requisition	1,900,000	1,900,000	-	
Sale Services Local Govt	22,000	23,000	1,000	
Sale Services User Fees	350	350	-	
Applications/Permit Fees	49,100	50,700	1,600	
Other Revenue/Recoveries	17,632	16,632	(1,000)	
Transfer from Reserve		37,927	37,927	
Prior Years Surplus	310,504	237,640	(72,864)	
	<b>\$ 2,556,706</b>	<b>\$ 2,522,312</b>	<b>(34,394)</b>	
<b>Expenditures</b>				
<b>500 General Planning</b>				
Personnel Costs	794,450	734,040	(60,410)	
Operating	324,958	366,029	41,071	
Contribution to Reserve	107,468	6,500	(100,968)	
	<b>\$ 1,226,876</b>	<b>\$ 1,106,569</b>	<b>(120,307)</b>	
<b>501 GIS</b>				
Personnel Costs	350,142	353,267	3,125	
Operating	162,826	184,985	22,159	
Contribution to Reserve	15,000	15,000	-	
	<b>\$ 527,968</b>	<b>\$ 553,252</b>	<b>25,284</b>	
<b>502 Bylaw Enforcement</b>				
Personnel Costs	143,625	147,248	3,623	
Operating	88,594	103,265	14,671	
	<b>\$ 232,219</b>	<b>\$ 250,513</b>	<b>18,294</b>	
<b>503 Planning Policy</b>				
Personnel Costs	222,867	172,774	(50,093)	
Operating	346,776	437,541	90,765	
Transfer to Other Functions		1,663	1,663	
	<b>\$ 569,643</b>	<b>\$ 611,978</b>	<b>42,335</b>	
<b>Total Expenditures</b>	<b>\$ 2,556,706</b>	<b>\$ 2,522,312</b>	<b>(34,394)</b>	
<b>Capital</b>				
<b>Funding Sources</b>				
Transfer from Reserve	8,000	15,000	7,000	
	<b>\$ 8,000</b>	<b>\$ 15,000</b>	<b>\$ 7,000</b>	
<b>Funding Applied</b>				
Capital Projects & Equip	8,000	15,000	7,000	
	<b>\$ 8,000</b>	<b>\$ 15,000</b>	<b>\$ 7,000</b>	

Highlights of the 2020 - 2024 proposed financial plan for functions 500 - 503 include:

#### Revenue Sources

- The overall planning service (functions 500 – 503) derives the majority (75 per cent in 2020) of funding from tax requisition. The 2020 proposed budget includes no change in the tax requisition from 2019.
- In 2020, recoveries from other functions (i.e. GIS services and admin fees) are budgeted similarly from 2019 except that \$1,000 to administer the homelessness supports service was shifted from the 500 service to the Regional Growth Strategy (function 512) service to better reflect the regional nature of the homelessness supports service and its staffing allocation.
- Prior years' surplus is estimated to be \$72,864 less than in 2019 at this proposed budget stage. This figure will be updated once the 2019 year-end is finalized.

Other revenue sources that contribute to the overall funding of the planning service include:

#### *Planning (500)*

In 2019, planning services' development application fees and permits accounted for two per cent of the revenue in the overall service. Application fees are not a significant component of the service's revenue source, consistently ranging between two and three per cent per year. Function 500's work is primarily focused on development applications.

Pursuant to the *Local Government Act* (RSBC, 2015, c. 1) (LGA), a local government can establish planning application fees based on the estimated average costs of processing a given application type. A general principle of the CVRD has been to keep fees low and to create as few barriers as possible to development while still, for example, adhering to the principles of precaution and protecting the natural environment. This means that fees generally do not recover full costs in terms of staff and elected officials' time on individual applications. Staff is considering reviewing the Planning Procedures and Fees bylaw in 2021 to ensure planning application fees reflect the average costs of application processing.

#### *Geographic Information Systems (501)*

The Geographic Information System (GIS) budget is funded by direct taxation as part of the overall planning budget. Funding for work done for other functions through GIS work requests, revenue from contracts for services with other local governments and direct GIS and map sales to the general public is detailed in Table 3.

**Table 3: GIS Revenue Sources**

<b>2019 Budgeted GIS Revenues from Sale of Service</b>	
Sale of services to other CVRD functions	\$15,000
Sale of services to other local governments	\$22,000
Sale of services to general public	\$250
<b>Total GIS revenue to offset operating budget</b>	<b>\$37,250</b>

#### Personnel

##### *Planning (500 and 503)*

- Reduced personnel costs in 2020 for sub-functions 500 and 503 are attributed to a reallocation of staff resources from the rural planning service to the Regional Growth Strategy service (function 512). It is anticipated, however that an increase in staffing will be warranted in 2021 given the volume of development work expected in the settlement nodes (Union Bay, Saratoga and Mt. Washington) as well as work associated with the following known projects:

- Update of the natural environment and hazard areas development permit area guidelines.
- Public outreach related to the completion of Phase 1 of the Coastal Resiliency initiative (i.e. coastal flood mapping).
- Phase 2 of the Coastal Resiliency initiative (i.e. coastal flood mitigation plan).
- Update of the cannabis cultivation, processing and sales within the Zoning Bylaw.
- Floodplain bylaw amendment.
- Development of a Subdivision and Development Servicing Bylaw with engineering staff focused on rainwater management.
- Saratoga settlement node development permit area focussed on protection of the natural environment and protection of development from hazardous condition (e.g. rainwater management).
- Review of the 2014 Rural Community Climate Action Plan.

A business case regarding an additional planning resource will be prepared and will be brought forward as part of the 2021-2025 financial planning process.

#### *GIS (501)*

- Personnel costs for GIS are budgeted to increase by \$3,125 from 2019 and relate to salary changes arising through the collective agreement and changes to employee benefits.
- The GIS department is managed by the Senior Manager of Information Systems and GIS, 30 per cent of the position time is assigned to the department.
- The GIS department has three full time staff positions - two Senior GIS Analysts and one GIS Analyst.
- The GIS department is presently operating at capacity with the inclusion of the contract service work with the Village of Cumberland, qathet Regional District and Mount Waddington Regional District.

#### *Bylaw Enforcement (502)*

- The personnel costs for the bylaw compliance department includes an allocation of time and expenses for the Manager of Bylaw Compliance as well as two fulltime Bylaw Compliance Officers. One of the Bylaw Compliance Officer positions is dedicated in part to administer the Illegal Dumping program, which is a function through the Comox Strathcona Waste Management service.
- This staffing level is appropriate and provides for a consistent staffing allocation as in 2019. Bylaw compliance budgets include personnel costs currently allocated to services based on an estimate of time spent. The bylaw compliance department's wages are also funded from the unsightly, noise, animal control and fireworks regulations services.
- Personnel costs for bylaw compliance are budgeted to increase by \$3,612 from 2019 and relate to salary changes arising through the collective agreement and changes to employee benefits.

#### Operations

##### *Planning (500)*

- Operating costs are budgeted to increase by \$41,071 over 2019. This is offset by a decrease in personnel costs mitigating any impact on the tax requisition.
- The year-over-year increase in the function's operating budget is primarily attributed to an increase in cost for support services and other professional fees (e.g. assistance with electronic records management, technical advice on steep slopes development permit area guidelines, cannabis regulations). Increases on these line items have been offset by a decrease of \$7,000 in anticipated public relations costs as the zoning bylaw review has been completed.

- Public relations costs have been included in the 2020 budget year to continue with the objective of increasing outreach and community engagement. The amount is broken down as follows: video tutorials on Development Permit Areas (\$4,500), planning website update (\$3,000), vacation rental review/education (\$10,000). These funds have been allocated to address requests for increased public consultation and outreach for these key projects.

#### *GIS (501)*

- The operating budget for GIS for 2020 is proposed to increase by \$22,159 over 2019.
- Increases in operating budget due to costs for GIS portion of 2020 digital air photos, allowances for support software and office expenses and travel for attendance of GIS software user conference.
- The largest expense of the GIS department, other than staffing is the GIS software site licenses and minor capital costs required to remain current in GIS technology.
- The GIS software license is negotiated in three year terms and was renegotiated and signed in May 2018 and will be reviewed and renewed in 2021.

#### *Bylaw Enforcement (502)*

- Operating costs are budgeted to increase by \$14,278 over 2019. This is primarily to cover legal costs on current and active land use enforcement files.

#### *Planning Policy (503)*

- The 2020 operating budget for planning policy has been increased \$90,765 over 2019, related primarily to proposed communications and public education initiatives related to the Coastal Resiliency project (e.g. findings of coastal flood mapping, preparation of flood mitigation plan) and rural climate change initiatives (\$70,000).
- With coastal flood mapping and modelling presently underway, staff are looking to secure funding to begin work on next steps towards managing flood risk and increasing community resilience.
  - A grant application is being prepared for submission to the Community Emergency Preparedness Fund (through the Union of BC Municipalities) to engage a consultant to prepare a coastal flood mitigation plan.
  - Flood mitigation planning involves developing strategies to manage flood risk. Solutions may include structural and/or non-structural components.
  - This next phase of the project will include community engagement and be used to inform decision making for flood mitigation planning and adaptation strategy development.
  - This project is a key climate action initiative.
  - Staff will report back on the results of the grant application as well as the related project scope of work.

Staff is also proposing to include professional fees of \$40,000 to deliver (in partnership with engineering staff) a Subdivision and Development Servicing bylaw focused on rainwater management in the Saratoga settlement node and \$10,000 for updating the planning webpages.

#### Capital

##### *Geographic Information Systems (501)*

The capital project for GIS in 2018 was for the addition of a new virtual host server to allow for replication of the GIS servers for redundancy and data protection. This project, estimated at \$15,000, was carried forward to 2019 and then 2020 due to lack of space in the existing server racks

in the 600 Comox Road server room. The new data centre at 770 Harmston Avenue will be able to house the new virtual host and its physical space requirements.

### Reserves

There are three reserve funds in the planning service (functions 500 - 503) with estimated balances as at December 31, 2019 of:

1. Future expenditure reserve - \$337,386
2. Capital works reserve – \$62,850
3. GIS future expenditure reserve - \$53,859

### Tax Impacts

- Based on the 2020 completed assessment roll, the estimated residential tax rate for this service is expected to be \$0.2804 per \$1,000 of taxable assessed value.
- The 2019 residential tax rate for the service was \$0.2975 per \$1,000 of taxable assessed value.
- For a residence with an assessed value of \$500,000, the total tax impact is estimated to be \$140.20 (\$8.65 less than 2019).

### **Citizen/Public Relations**

#### *Planning (500) and Planning Policy (503)*

The work plan items identified in the 2020 - 2024 financial plan will include public consultation in accordance with the requirements of the LGA. Through project/application-specific reports, planning services will develop consultation strategies with assistance from communications staff and report to the board on the process, timing and method of citizen consultation. Statutory consultation costs related to site-specific development proposals are either included in planning application fees or billed separately to the development proponent. Consultation costs arising from CVRD-initiated projects and bylaw amendments (e.g. development permit area update, Coastal Resiliency project, Rural Community Climate Change Action Plan update) are borne by the CVRD and primarily pertain to the cost of staff time. Advertising expenses are included in the 2020-2024 financial plan.