



## **CORPORATION OF THE TOWNSHIP OF ESQUIMALT**

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Municipal Hall, 1229 Esquimalt Road, Esquimalt, B.C. V9A 3P1  
Telephone (250) 414-7100 Fax (250) 414-7111

File 0550-06

May 9, 2012

### **NOTICE**

**A SPECIAL MEETING OF COUNCIL WILL BE HELD ON MONDAY, MAY 14, 2012 AT 5:45 PM, IN THE COUNCIL CHAMBERS, ESQUIMALT MUNICIPAL HALL, 1229 ESQUIMALT ROAD TO MAKE A MOTION TO GO *IN CAMERA* PURSUANT TO SECTION 90 OF THE *COMMUNITY CHARTER* AND RECONVENE FOLLOWING THE REGULAR MEETING OF COMMITTEE OF THE WHOLE.**

**ANJA NURVO  
CORPORATE OFFICER**



## CORPORATION OF THE TOWNSHIP OF ESQUIMALT

### **A G E N D A** **SPECIAL MEETING OF COUNCIL**

Monday, May 14, 2012

5:45 p.m.

Council Chambers, Esquimalt Municipal Hall

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1. **CALL TO ORDER**
2. **LATE ITEMS**
3. **APPROVAL OF THE AGENDA**
4. **MOTION TO GO *IN CAMERA***

Motion to go *In Camera* pursuant to Section 90 of the *Community Charter* to discuss:

- Labour relations or other employee relations; and
- The security of the property of the municipality; and
- Litigation or potential litigation affecting the municipality; and
- Discussions with municipal officers and employees respecting municipal objectives, measures and progress reports for the purposes of preparing an annual report under section 98 [*annual municipal report*]

In accordance with Section 90 (1) (c), (d), (g) and (l) of the *Community Charter*, and that the general public be excluded.

5. **RECESS THE SPECIAL MEETING OF COUNCIL TO RECONVENE FOLLOWING THE REGULAR MEETING OF COMMITTEE OF THE WHOLE**
6. **RECONVENE THE SPECIAL MEETING OF COUNCIL**
7. **PUBLIC INPUT (On items listed on the Agenda)**  
*Excluding items which are or have been the subject of a Public Hearing.*
8. **STAFF REPORTS**

#### *Administration*

- (1) Appointment of Business Licence Inspector, Staff Report No. ADM-12-029 Pg. 1

#### **RECOMMENDATION:**

That Anja Nurvo, Manager of Corporate Services, be appointed as the Business Licence Inspector for the Township of Esquimalt

*Engineering and Public Works*

- (2) Council Resolution for Esquimalt Village Project Grant Funding Request for Brownfield Evaluation, Staff Report No. EPW-12-008 Pg. 2 – 3

**RECOMMENDATION:**

That Council authorize the submission of an application to the Federation of Canadian Municipalities for funding in the amount of \$50,000 in order to complete a Phase II site assessment of the Esquimalt Village Project site. Council hereby confirms that the amount of \$75,000 of the Township's funds has been committed to this project in the 2012 budget.

9. **BYLAWS**

*For Adoption*

- (1) Financial Plan Bylaw, 2012, No. 2789 Pg. 4 – 10
- (2) Tax Rate Bylaw, 2012, No. 2790 Pg. 11 – 12

10. **MAYOR'S AND COUNCILLORS' REPORTS**

- (1) Report from Councillor David Schinbein, Re: Vancouver Island Construction Association 100<sup>th</sup> Anniversary Legacy Project

11. **PUBLIC QUESTION AND COMMENT PERIOD**

Excluding items which are or have been the subject of a Public Hearing.  
Limit of two minutes per speaker.

12. **ADJOURNMENT**



# CORPORATION OF THE TOWNSHIP OF ESQUIMALT

Municipal Hall, 1229 Esquimalt Road, Esquimalt, B.C. V9A 3P1  
Telephone (250) 414-7100 Fax (250) 414-7111

Special Council Meeting: May 14, 2012

## STAFF REPORT

**DATE:** May 9, 2012 Report No. ADM-12-029  
**TO:** Laurie Hurst, Chief Administrative Officer  
**FROM:** Anja Nurvo, Manager of Corporate Services  
**SUBJECT:** Appointment of Business Licence Inspector

### RECOMMENDATION:

That Anja Nurvo, Manager of Corporate Services, be appointed as the Business Licence Inspector for the Township of Esquimalt.

### BACKGROUND:

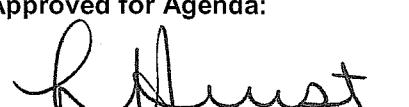
The Business Licence and Regulation Bylaw, 2001, No. 2482, as amended, provides for the appointment of a Business Licence Inspector by Council to administer the Bylaw and issue Business Licences.

As part of the restructuring of Development Services, building inspections has been moved to Engineering and bylaw enforcement has been moved to Corporate Services. Part of the restructure plan was also to move business licensing to Corporate Services. With the recent resignation of the Building Inspector, who had been appointed as the Township's Business Licence Inspector, this is an opportune time to complete the transition.

### ALTERNATIVES:

1. That Anja Nurvo, Manager of Corporate Services, be appointed as the Business Licence Inspector for the Township of Esquimalt.
2. That Council appoint another member of staff as the Business Licence Inspector.

  
Anja Nurvo  
Manager of Corporate Services

<p>Approved for Agenda:</p> <p> Laurie Hurst, CAO</p> <p>Dated: <u>May 9/12</u></p>
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# CORPORATION OF THE TOWNSHIP OF ESQUIMALT

Municipal Hall, 1229 Esquimalt Road, Esquimalt, B.C. V9A 3P1  
Telephone (250) 414-7100 Fax (250) 414-7111

Council Meeting: May 14, 2012

## STAFF REPORT

**DATE:** May 14, 2012 Report No. EPW-12-008  
**TO:** Laurie Hurst, Chief Administrative Officer  
**FROM:** Jeff Miller, Director of Engineering and Public Works  
**SUBJECT:** Council Resolution for Esquimalt Village Project Grant Funding Request for Brownfield Evaluation

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### RECOMMENDATION:

That Council authorize the submission of an application to the Federation of Canadian Municipalities for funding in the amount of \$50,000 in order to complete a Phase II site assessment of the Esquimalt Village Project site. Council hereby confirms that the amount of \$75,000 of the Township's funds has been committed to this project in the 2012 budget.

### BACKGROUND:

As part of the 2012 budget submission, a capital project request was submitted for a Phase II site assessment of the Esquimalt Village Project (EVP) site. The capital request contained a funding request from both the Township and the Federation of Canadian Municipalities (FCM). The project budget was set at \$125,000. \$75,000 will be funded by the Township and \$50,000 will be funded through a grant from FCM.


The deliverable of the project shall be a determination of the degree of contamination on the site and remediation plan for dealing with the contamination.

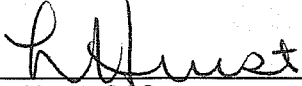
### ISSUES:

In order to submit an application for grant funding, it is necessary that a Council resolution be attached detailing the Township's commitment to the project. If this resolution is not part of the grant application, it is unlikely that funding will be approved.

### ALTERNATIVES:

1. That Council pass the recommended resolution confirming their support for the grant application.
2. That Council does not pass a resolution confirming their support for the grant application.

  
\_\_\_\_\_  
Jeff W. Miller, P. Eng.  
Director, Engineering and Public Works

**Approved for Agenda:**  
  
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Laurie Hurst, CAO  
Dated: May 9/12

**CORPORATION OF THE TOWNSHIP OF ESQUIMALT**

**BYLAW NO. 2789**

A Bylaw to adopt the Financial Plan for the years 2012 to 2016.

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THE MUNICIPAL COUNCIL OF THE CORPORATION OF THE TOWNSHIP OF ESQUIMALT, in open meeting assembled, enacts as follows:

1. This Bylaw may be cited for all purposes as the "*FINANCIAL PLAN BYLAW, 2012, NO. 2789*".
2. Schedule "A" and "B" attached hereto and made part of this Bylaw is hereby adopted as the Financial Plan of the Corporation of the Township of Esquimalt for the period 2012 to 2016.

READ a first time by the Municipal Council on the 7th day of May, 2012.

READ a second time by the Municipal Council on the 7th day of May, 2012.

READ a third time by the Municipal Council on the 7th day of May, 2012.

**ADOPTED** by the Municipal Council on the    day of May, 2012.

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BARBARA DESJARDINS  
MAYOR

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ANJA NURVO  
CORPORATE OFFICER



## Revenue, Tax, Budget and Financial Sustainability Policies & Objectives

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### 1. PROPERTY TAX REVENUE and TAX RATIOS

#### Background

Property taxes account for approximately 49% of the Township of Esquimalt's (Township's) revenue (excluding unconditional or non-reoccurring grants and transfers from own sources) and provide a stable and consistent source of funding for many services that are either difficult or undesirable to fund on a user-pay basis. Property taxes are more predictable than other revenue sources, resulting in less likelihood of a shortfall relative to other budgeted revenue.

Payments In Lieu of taxes provided by CFB Esquimalt accounts for the Township's second largest revenue source, at approximately 34%.

The Township's distribution of taxes among the property classes is typical, where the residential class is proportionately the largest of the total tax base at approximately 79%. Properties in the business class provide the second largest portion of the tax base at approximately 16%. The major industry, light industry, and recreation/non-profit classes provide the remaining 5% of the tax base.

The Township's tax rates appear high in comparison to other municipalities in the Capital Regional District, primarily because the Township provides its own police, fire, recreation and library services, while these services are either cost-shared or provided on a volunteer basis by other municipalities and because the Township has a limited retail base and comparably lower assessed values than other municipalities. Consequently, the Township must fund higher costs amongst fewer sources than other municipalities resulting in higher tax rates.

Reducing taxes can only come about by either lower overall costs, increasing revenue from sources other than property taxes, increasing the number of tax payers or from a combination of these measures. Council is constrained in its ability to shift the tax burden as a means of driving change in the community. Shifting of one property tax class burden to drive new initiatives will result in higher taxes applied against the other classes. Consequently, the tax burden may only be shifted over time by looking to new initiatives that increase non tax revenues and tax base.

#### Objectives

- 1.1 Distribute property tax increases equitably among the classes of property.
- 1.2 Increase the percentage of revenue from sources other than property value taxes over time by:
  - 1.2 (a) Considering new initiatives that increase the tax base and facilitate shifting tax ratios without increasing the residential tax burden; and
  - 1.2 (b) Considering the impact of a 'Downtown Revitalization' bylaw to stimulate development in the downtown core and increase the tax base provided by Class 6.
- 1.3 Consider implementing property tax strategies or incentives that promote economic development within the community.



**Policies**

- 1.4 Adjust the tax rate ratios each year to maintain stability while ensuring the tax rate is reflective of both market and non market changes.
- 1.5 Set annual property tax rates after considering significant new growth or loss of assessment in each property class.
- 1.6 Use the property tax levy and payments in lieu of taxes to balance the budget each year after reviewing the potential for sustainable revenue from all other sources.
- 1.7 Mitigate the impact on property taxes by researching non-property tax revenue sources whenever possible, applying for government grants, charging appropriate user fees and developing strategic alliances, partnerships and shared project funding to reduce costs of service delivery.

**2. PERMISSIVE TAX EXEMPTIONS****Background**

The Township will continue to support local not for profit organizations who qualify for permissive tax exemptions on their merits and under Section 224 of the Community Charter.

**Objectives**

- 2.1 Continue to consider applications for permissive tax exemptions

**Policies**

- 2.2 Continue to grant permissive tax exemptions to agencies that provide social benefits to the community and qualify under the legislation and any formal policy adopted by Council.

**3. GROWTH AND REVITALIZATION STRATEGIES****Background**

Growth, improvement and forward thinking are necessary to maintain a desirable, healthy and sustainable community. A desirable environment will also attract and retain new business and thus add to the tax base and achieving the goal of reducing individual property taxes. The Township will continue to seek out and be open to employing strategies which assist in retaining and furthering this goal.

**Objectives**

- 3.1 To stimulate and reinforce development initiatives in locations where such uses are permitted.

**Policies**

- 3.2 Review and consider the provision of permissive exemptions for revitalization, beautification and heritage tax exemptions that are consistent with enhancing the quality of life (social, economic and environmental) objectives of the community.
- 3.3 Revise or coordinate economic development, revitalization and heritage plans to determine where opportunities for permissive tax exemptions may exist.

**4. PARCEL TAX REVENUE**

There are no parcel tax levies in use by the Township of Esquimalt.

## 5. FEES AND CHARGES

### Background

Fees and charges account for 12% of the Township's revenue. While this revenue source includes revenue generated from licences and permits, the largest component of user fee revenue is that generated from recreation programs.

### Objectives

- 5.1 User fees may be charged for services that are identifiable to specific users, versus levying a general tax to all property owners.
- 5.2 User fees charged for recreation programs are appropriate; and
- 5.3 Other fees, such as fees for licences and permits are:
  - set to recover at least 100% of the cost of providing service;
  - consistent with similar fees charged in the region; and
  - consistent with the social and economic objectives of the Township.

### Policies

- 5.4 Review recreation user fees at least annually to ensure that increases are consistent with inflation and that services remain affordable and competitive within the regional market.
- 5.5 Review other fees and charges at least annually to ensure the Township recovers at least 100% of the cost of services provided, and the cost is consistent with similar fees charged in the region.
- 5.6 Fees required to recover the cost of services may be reduced by government grants or transfers allocated to specific programs.

## 6. FINANCIAL SUSTAINABILITY

### Background

Long term financial sustainability is important if the Township is to deliver the services and programs expected by the community. It is also important that community assets are maintained so that the cost does not become a burden for future rate payers and as a means to retain and attract vibrant businesses in the community.

Responsible long term financial management:

- means that a healthy financial position is maintained
- gives financial outcomes greater stability and certainty
- ensures consistent delivery of essential community services and the efficient development and maintenance of infrastructure

### 6.1 INFRASTRUCTURE AND CAPITAL ASSET SUSTAINABILITY

#### Objectives

- 6.1.1 Capital funding provided through the annual budget process will be adequate to maintain the Township's capital assets and infrastructure and provide for the replenishment of capital assets.

6.1.2 Develop and maintain a plan to keep the capital assets and infrastructure in a proper state of repair to avoid costly failures and, where possible, to economically and effectively extend the asset's life.

### **Policies**

6.1.3 To ensure capital funding is adequate:

- (a) An amount equal to the value of matured debt charges is transferred to the Capital Projects Reserve Fund annually;
- (b) An amount equal to the change in HST rebate from the 2004 rebate rate of 57.14% is transferred to the Capital Projects Reserve Fund annually;
- (c) All money from the sale of land and improvements (other than park land and tax sale land) is credited to the Capital Projects Reserve Fund and set aside for future land purchases;
- (d) Donations and bequests for capital purposes are transferred to the Capital Projects Reserve Fund unless otherwise specified by the donor;
- (e) The Capital Projects Reserve Fund, and all interest earned upon it, is only used to acquire capital assets.

6.1.4 Capital budgeting and capital transactions must be consistent with management policies.

## **6.2 RESERVES**

### **Objectives**

6.2.1. Establish and maintain reserves to provide stability to municipal operations and ensure the Township can meet both current fiscal requirements and future obligations.

6.2.2 Strive to increase the sum of the balances of the:

- Reserve Funds;
- Appropriated for Uncollected Taxes Account;
- Appropriated for Working Capital Account; and
- Unappropriated Surplus Account

to 25% of revenue (excluding unconditional or non-reoccurring grants and transfers from own sources) by 2020.

### **Policies**

6.2.3 The budget process and ongoing operations must strive to establish and maintain sufficient funding to achieve the reserve balances set out in 6.2.2 above.

## **6.3 DEBT MANAGEMENT**

### **Background**

The maximum amount that can be borrowed by the Township is set by the Community Charter. Funding is provided by the Municipal Finance Authority. In comparison to the debt available, the Township's debt has been maintained at a fairly low level in recent years.

**Objectives**

6.3.1 Maintain the long term debt servicing liability at a manageable level.

**Policies**

6.3.2 Limit the creation of long term debt to the financing of large infrastructure and economic development projects.

6.3.3 Minimize debt costs by seeking out and applying for provincial and federal government grants whenever possible.

**7. RESTRICTED ACCOUNTS AND MINIMUM BALANCES**

**Background**

Funds may be set aside for specified purposes either through external or internal requirements. Minimum balances may be set to ensure availability of funds.

**Objectives**

7.1 These funds are used primarily to finance specific projects for which the funds were advanced, capital and one time operating projects. Internally restricted funds may also be used from time to time to offset very specific operating costs.

**Policies**

7.2 A minimum balance of \$100,000 will be maintained in the Casino Revenue Sharing account.

7.3 A minimum balance of \$250,000 will be maintained in the Community Works Fund account.

7.4 These funds are not used for on-going operating costs.

7.5 These funds may be used for specific one time capital and operating project costs.

7.6 The balances set out in 7.2 and 7.3 may temporarily drop below the established minimum balances, provided a plan is in place to re-establish the minimum balance.

CORPORATION OF THE TOWNSHIP OF ESQUIMALT  
FINANCIAL PLAN 2012 - 2016

	2012	2013	2014	2015	2016
	\$	\$	\$	\$	\$
<b>REVENUE</b>					
Taxes					
Property Value Taxes	14,046,250	15,680,748	16,035,000	16,162,650	16,376,395
Parcel Taxes	0	0	0	0	0
Utility Taxes	244,801	249,705	233,985	236,322	238,681
Payments/Grants in Lieu of Taxes					
Federal	8,823,108	8,999,570	9,179,565	9,363,160	9,550,425
Provincial Agencies	108,587	110,765	112,990	115,255	117,570
Fees and Charges	3,458,607	3,353,405	3,425,755	3,483,400	3,550,370
Other Revenue					
Services to Other Governments	0	0	10,000	0	0
Grants from Other Governments	2,450,124	416,732	416,732	416,732	416,732
Other	2,292,565	1,260,435	1,257,655	1,259,995	1,133,550
Proceeds from Borrowing	257,255	0	0	0	0
Proceeds from Leases	0	0	0	0	0
Transfers from Statutory Reserve Funds					
Capital Projects Reserve Fund	2,765,659	865,900	95,000	113,000	178,000
Local Improvement Fund	0	0	0	0	0
Machinery & Equipment Depreciation Reserve Fund	1,474,030	576,220	67,695	68,790	69,745
Park Land Acquisition reserve Fund	0	0	0	0	0
Off-Street Parking Reserve Fund	0	0	0	0	0
Tax Sale Lands Reserve Fund	0	0	0	0	0
Transfers from Accumulated Surplus	813,752	0	0	0	0
Transfers from Operating Reserves	276,874	50,000	50,000	50,000	50,000
	<u>37,011,612</u>	<u>31,563,480</u>	<u>30,884,377</u>	<u>31,269,304</u>	<u>31,681,468</u>
<b>EXPENDITURE</b>					
Debt Interest	678,812	658,326	658,326	658,326	658,326
Debt Principal	447,840	428,140	428,140	428,140	428,140
Capital Expenditure	7,624,961	1,768,745	580,175	600,140	531,985
Other Municipal Purposes					
General Government	2,970,777	2,917,642	2,988,333	2,961,323	2,975,053
Protective	11,005,738	11,052,819	11,261,471	11,475,716	11,607,615
Transportation (Public Works)	2,430,315	2,511,097	2,521,479	2,516,973	2,641,665
Environmental Health (Garbage and Sewer)	865,471	875,698	892,468	909,573	927,018
Environmental Development (Planning)	882,886	460,922	469,257	476,289	487,158
Recreation and Cultural	8,148,619	9,159,091	9,353,093	9,510,539	9,691,558
Other Fiscal	34,800	37,420	38,055	38,705	39,370
Other (Contingency)	417,813	250,000	250,000	250,000	250,000
Transfers to Statutory Reserve Funds					
Capital Projects Reserve Fund	952,580	952,580	952,580	952,580	952,580
Reserve For Expenditures	60,000	0	0	0	0
Local Improvement Fund	0	0	0	0	0
Machinery & Equipment Depreciation Reserve Fund	441,000	441,000	441,000	441,000	441,000
Tax Sale Lands Reserve Fund	0	0	0	0	0
Transfers to Operating Reserves	50,000	50,000	50,000	50,000	50,000
	<u>37,011,612</u>	<u>31,563,480</u>	<u>30,884,377</u>	<u>31,269,304</u>	<u>31,681,468</u>

**CORPORATION OF THE TOWNSHIP OF ESQUIMALT**

**BYLAW NO. 2790**

A Bylaw for the levying of rates for Municipal,  
Regional District and Regional Hospital District purposes for the year 2012.

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THE MUNICIPAL COUNCIL OF THE CORPORATION OF THE TOWNSHIP OF ESQUIMALT, in open meeting assembled, enacts as follows:

1. This Bylaw may be cited as the "*TAX RATES BYLAW, 2012, NO. 2790*".
2. The following rates are hereby imposed and levied for the year 2012:
  - (a) For all lawful purposes of the municipality on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "1" of Schedule "A" attached hereto and forming a part hereof.
  - (b) For purposes of the Capital Regional District on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "2" of Schedule "A" attached hereto and forming a part hereof.
  - (c) For purposes of the Capital Regional Hospital District on the assessed value of land and improvements taxable for regional hospital district purposes, rates appearing in column "3" of Schedule "A" attached hereto and forming a part hereof.
3. The minimum amount of taxation upon a parcel of real property shall be One Dollar (\$1.00).
4. The aforesaid rates and taxes shall be considered to have been imposed on and from January 1, 2012 and shall be due and payable at the office of the Collector of Taxes of the Corporation of the Township of Esquimalt, in the Province of British Columbia, by July 3, 2012 or mailed within Canada with a legible postmark dated June 22, 2012 or prior; or paid at a financial institution in Canada on or before July 3, 2012.

READ a first time by the Municipal Council on the 7th day of May, 2012.

READ a second time by the Municipal Council on the 7th day of May, 2012.

READ a third time by the Municipal Council on the 7th day of May, 2012.

**ADOPTED** by the Municipal Council on the day of May, 2012.

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BARBARA DESJARDINS  
MAYOR

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ANJA NURVO  
CORPORATE OFFICER

CORPORATION OF THE TOWNSHIP OF ESQUIMALT

TAX RATES - 2012

(Dollars of tax per \$1,000 value)

Property Class	1 Municipal	2 Regional District	3 Hospital District
1 Residential	4.63258	0.50094	0.28980
2 Utilities	21.78865	2.35608	1.01430
4 Major Industry	30.86207	3.33722	0.98532
5 Light Industry	17.14811	1.85428	0.98532
6 Business & Other	13.05235	1.41140	0.71001
8 Recreational & Non-Profit	5.07909	0.54922	0.28980