



CITY OF RICHMOND

REPORT TO COMMITTEE

TO: Public Works and Transportation Committee **DATE:** March 1, 2001
FROM: George Duncan
 Chief Administrative Officer **FILE:** -
RE: **Protocol for Greater Vancouver Regional District Capital Projects**

STAFF RECOMMENDATION

That the Protocol for the Greater Vancouver Regional District Capital Projects be endorsed as included in Attachment "A" of the report dated March 1, 2001 from the Chief Administrative Officer.

A handwritten signature in black ink, appearing to read 'George Duncan', with a long horizontal flourish extending to the right.

George Duncan
Chief Administrative Officer

Att. 1

STAFF REPORT

ORIGIN

In 1997 the CAO of the GVRD recommended that regional projects be exempted from municipal fees and charges including Building Permits and Development Cost Charges (DCC's). This proposal was rejected by the Municipal Managers, and as a result a sub-committee of RAAC (Regional Administrators Advisory Committee) was formed to develop a more equitable protocol for dealing with regional projects.

The protocol is now being presented to Municipal Councils for endorsement at the direction of the GVRD Board.

ANALYSIS

When the original proposal for dealing with regional projects was introduced to the Municipal Managers, Mr. Carline presented legal arguments and precedents in support of the proposed exemptions. It was however pointed out that these legal arguments and precedents were not supported by past practices of the GVRD as in Richmond's case, staff produced evidence to the contrary including DCC and permit fees received on various GVRD projects.

However, in order to avoid pursuing this matter through a costly litigation process, the attached protocol for dealing with GVRD projects through the planning, design and construction phases including public consultation and dispute resolution processes was developed. The protocol also ensures that the GVRD strives to meet all Official Community Plan and land use bylaw regulations.

Although not currently stated in the protocol, there is potentially a financial benefit to the City. That is, after much discussion, RAAC have accepted the notion of provisions for retroactivity on payments of municipal charges on regional structures to 1995 based on the municipal bylaws in effect at the time. The retroactive payments for municipal charges still needs to be approved by the GVRD Board. If approved these payments would not include interest. As well, adjustments would need to be undertaken for payments already made or for services that were not provided.

The protocol does not address whether or not the GVRD needs to pay property taxes. The issue of property taxes may be raised in the future, however, the GVRD recently won a court case against Ashcroft which supports legislation exempting the Region from property taxes.

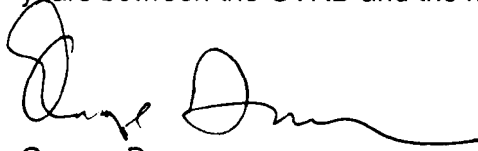
Although there are compromises, staff believe that the attached protocol offers a reasonable alternative to the GVRD's initial proposal calling for full exemptions. Thus, staff recommend that Council endorse the attached protocol.

FINANCIAL IMPACT

The Development Cost Charges (DCC), Building Permit fees and other revenue will help to offset the lost potential for the host City to realize in tax revenue from the properties on which the regional facilities are built. These revenues will also cover the costs for permits and inspection services provided by the host City where applicable.

CONCLUSION

The attached protocol is the outcome of a significant amount of discussions and debates. It establishes a consistent and fair treatment for dealing with GVRD projects in member municipalities. If adopted the protocol will reduce the various conflicts that have arisen in recent years between the GVRD and the municipalities.

A handwritten signature in black ink, appearing to read "George Duncan", with a long, sweeping horizontal line extending to the right.

George Duncan
Chief Administrative Officer

Attachment A

Dated: November 10, 2000

Protocol for Greater Vancouver Regional District Capital Projects

1. Process

1. Planning Stage

- 1) At the earliest practical opportunity in the planning stage of any project, the GVRD (staff) will communicate with the area municipality(s) in which the project is to be located, advising of the general nature and purpose of the proposed project.
- 2) The area municipality (staff) will respond by advising of any issues that may be of concern to the municipality in carrying out the proposed project.
- 3) The GVRD will strive to ensure the project complies with municipal land use bylaws and official plan provisions.
- 4) Based on the information generated at this stage, the municipality will advise the GVRD whether there is a need for a public consultation process at the planning stage.
- 5) If a public consultation process is to be undertaken at the planning stage, the GVRD will consult with local area municipality staff in the design and scope of this process. Where appropriate, as determined by local area municipal staff, GVRD staff will meet with the local area municipal council to provide information and receive advice on the need for, scope and design of a local public consultation process.
- 6) As necessary, the GVRD will conduct the public consultation process. Local area municipality staff will provide assistance and advice, as appropriate.

2. Design Stage

- 1) At the earliest practical opportunity, in the design stage of any project, the GVRD will transmit draft designs to the local area municipality in which the project is to be located.
- 2) The area municipality (staff) will respond by advising of any concerns the design poses for the local municipality/community and of any further information/analysis that may be needed to allow the municipality to satisfy itself with regard to the proposed design.

- 3) Based on the information generated at this stage, the GVRD, in consultation with the municipality will determine whether there is a need for a public consultation process at the design stage. This will follow a similar procedure as 1(d).
- 4) GVRD staff will make their best efforts to respond to concerns raised by local municipal staff. In the event that GVRD staff decide it cannot or is inappropriate, to make design changes requested by local area staff, the GVRD will provide a reasoned account for this decision to the local municipality.
- 5) If local municipal staff deem it appropriate, the final agreed upon design or any disagreement between the GVRD and local area staff shall be presented to the local area council or development review committee for their comment.
- 6) If the local municipal council or development review committee deem it appropriate, any outstanding disagreement on design shall be referred to the dispute resolution process outlined in the Voluntary Permit Fee System of this Protocol (Section 4).

3. Construction Stage

7. At the earliest practical opportunity in the design stage, of any project, the GVRD will transmit, to the local municipality in which the project is located, an outline construction plan, describing how construction of the project is envisaged to take place and how local impacts are expected to be mitigated/communicated to the public.
8. A parallel process to the design stage will then follow, following steps 2(b) through 2(f).
9. Where it is possible to combine the processes for design and construction, this should be done.

4. Voluntary Permit Fee System

A critical part of this protocol involves a voluntary permit fee system which would parallel the regular permit system. It includes the following elements:

1. The GVRD would apply for 'voluntary permits' and pay a fee equivalent to the fee paid for regular permits, as per the established fee schedule of the specific municipality.
2. In the event of a dispute that is not resolved during this application/municipal review process, the item would be referred to a 'peer review panel' by either the affected municipality or the GVRD. An example of when the GVRD might wish

to use this review panel process would be if they dispute the application of fees to a specific facility. This panel would comprise of 3 members and would be appointed by the GVRD and the municipality disputing the permit but would be at arms length from both. Present or past municipal officials, or similarly qualified people would be likely panel members. Any costs which are incurred by the panel are not expected to be large and would be shared by both the GVRD and the affected municipality.

3. The peer review panel's non binding recommendations would be presented to the GVRD Board, which would then rule on the dispute;
4. Municipalities could appeal GVRD Board decisions to the Inspector of Municipalities. The GVRD and Municipalities would agree that prior to entering into this process the decision of the Inspector of Municipalities would be binding and would not be pursued further in the courts.
5. Where the GVRD and the municipality agree that the local municipality will not apply any formal building permit process, the GVRD would execute a liability waiver to the member municipality saving them harmless from consequences of the absence of such a process;
6. The GVRD would voluntarily pay DCCs and other fees according to local municipal schedules and this cost would form part of the capital project costs.
7. In the case of permits where the municipalities are exercising delegated Provincial responsibilities e.g. electrical permits, the GVRD would follow the normal prescribed procedures.
8. In the case where the GVRD already seeks and receives Provincial permits, e.g. tree-cutting permits, local municipal requirements would not apply.

2. Agreement

- a) The GVRD and the local municipalities shall formally agree that this voluntary permit fee system will constitute the full discharge of any responsibilities that may exist for permits or fees and charges.
- b) The implementation of this protocol shall be conditional on its endorsement by the regional Board and local municipalities and shall go into effect as soon as both the Board and a particular municipality endorses this protocol.