



# STAFF REPORT TO THE BOARD

**DATE OF REPORT** May 30, 2016  
**MEETING TYPE & DATE** Board Meeting of June 8, 2016  
**FROM:** Legislative Services Division  
Corporate Services Department  
**SUBJECT:** Chemainus Library Construction Financing  
**FILE:** Bylaw No. 4028, Bylaw No. 4029

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## PURPOSE/INTRODUCTION

The purpose of this report is to bring forward a request from Vancouver Island Regional Library (VIRL) for the CVRD to borrow on VIRL's behalf for the construction of a new library in Chemainus and to describe the process establishing a borrowing service and proceeding with a loan authorization bylaw.

## RECOMMENDED RESOLUTION

For information.

## BACKGROUND

Vancouver Island Regional Library has requested the regional district borrow on VIRL's behalf from the Municipal Finance Authority for the construction of a new library in Chemainus. The loan amount would be \$2.23 million and would be repaid over twenty years. A copy of VIRL's May 26, 2016 correspondence is attached to this report.

This request mirrors the successful process that was undertaken for construction of a new library in the Town of Lake Cowichan. In 2011, VIRL asked the CVRD to borrow one million dollars on their behalf for the construction of a new library in Lake Cowichan. Following public approval through a region-wide Alternative Approval Process (AAP), the Board established a Vancouver Island Regional Library Borrowing Service (which had a requisition amount of zero dollars) and then adopted a loan authorization bylaw for one million dollars on behalf of VIRL. The Town provided the land, the CVRD provided the financing, and VIRL built the new library which opened in 2013.

## ANALYSIS

In order to proceed, the Board needs to establish a service for the purpose of borrowing funds on behalf of VIRL for the construction of a new library in Chemainus. While all jurisdictions in the regional district would be partners in this service, it is important to note that the maximum requisition limit would be zero (\$0.00). Once the borrowing service is established, the CVRD would adopt a loan authorization bylaw for \$2.23 million. VIRL will be responsible, through a formal agreement, to pay all of the debt and costs associated with this process.

Since the borrowing term is longer than five years, public approval is required. An AAP will need to be undertaken (the costs of which will be covered by VIRL). The AAP will take place after the two required bylaws have received approval by the Inspector of Municipalities and the Board has set the deadline date for the AAP.

Bylaw No. 4028 – Vancouver Island Regional Library Borrowing Service Area Establishment Bylaw, 2016 and Bylaw No. 4029 – Vancouver Island Regional Library Borrowing Service Loan Authorization Bylaw, 2016 are included on this Board agenda for consideration of first three readings.

### FINANCIAL CONSIDERATIONS

Although there will be no direct financial impact to the CVRD's budget, there will be entries in the financial plan showing the borrowing costs and repayment by VIRL. All costs incurred on this project by the regional district will be recovered from VIRL.

### COMMUNICATION CONSIDERATIONS

If the proposed new AAP Policy is adopted by the Board prior to the launch of the Chemainus Library Construction Financing AAP, community engagement will occur between third reading of the bylaw and the setting of the AAP elector response deadline by the Board. As per the proposed policy, the level of community engagement depends on the complexity and financial impact of the proposal.

For this particular project, there is no tax requisition and the complexity of the proposal is low. During the approximately two month time period after third reading of the bylaws when the proposed bylaws are being reviewed by the Inspector of Municipalities, the reasons for the proposed new service will be communicated to the electors in the service area. Opportunities will be established whereby the electors in the service area will be able to communicate whether or not they support the proposal.

Following approval of the bylaws by the Inspector of Municipalities, the Board will consider whether or not to proceed with an AAP based on the public feedback received during the community engagement period. The Board may choose to abandon the proposal, obtain public approval through a referendum, or proceed with the AAP.

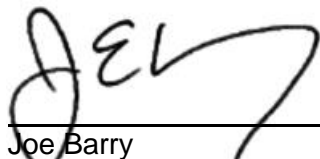
### STRATEGIC/BUSINESS PLAN CONSIDERATIONS

If the Board proceeds with providing construction financing for a new Chemainus Library, the project will follow the principles identified in the AAP Policy under Section 5.2 of the 2014-2018 Strategic Plan.

Referred to (upon completion):

- ☐ Community Services (*Island Savings Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Public Safety, Facilities & Transit*)
- ☐ Corporate Services (*Finance, Human Resources, Legislative Services, Information Technology*)
- ☐ Engineering Services (*Environmental Services, Capital Projects, Water Management, Recycling & Waste Management*)
- ☐ Planning & Development Services (*Community & Regional Planning, Development Services, Inspection & Enforcement, Economic Development, Parks & Trails*)
- ☐ Strategic Services


Prepared by:



Joe Barry  
Corporate Secretary


Reviewed by:

Not Applicable  
Not Applicable



Mark Kueber, CPA, CGA  
General Manager

Reviewed for Form and Content and Approved for Submission to the Board:  
Chief Administrative Officer's Comments / Concurrence



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Brian Carruthers  
Chief Administrative Officer

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**ATTACHMENTS:**

- Attachment A – May 26, 2016 Vancouver Island Regional Library Correspondence
- Attachment B – Bylaw No. 4028 – Vancouver Island Regional Library Borrowing Service Area Establishment Bylaw, 2016
- Attachment C - Bylaw No. 4029 – Vancouver Island Regional Library Borrowing Service Loan Authorization Bylaw, 2016



**Memo**

**To:** Mark Kueber, Director of Corporate Services, CVRD  
**From:** Joel Adams, Director of Finance, VIRL  
**Date:** May 26, 2016  
**Re:** **MFA Loan for Library in Chemainus**

As per our previous discussions, the Vancouver Island Regional Library (VIRL) requests that the Cowichan Valley Regional District (CVRD) obtain from MFA a loan on VIRL's behalf for the purpose of constructing a new library in Chemainus.

Further details are as follows:

- The loan amount will be \$2.23 million, with a repayment period of 20 years.
- The loan authorization bylaws would be prepared by CVRD, with documentation to be submitted to MFA for the spring 2017 borrowing. Based on previous deadlines, the documents will likely be required the end of February, with the borrowing to be approved by MFA in late March. Both parties will work to expedite the process with the intention of beginning construction as early as possible.
- CVRD will need to prepare the bylaw and have it presented to the Board and passed through its normal processes. If required, we can offer assistance with the wording and other matters based on the other borrowing arrangements we have been part of over the past few years.
- The alternate approval process would be used to approve the bylaw and secure the loan. CVRD will "drive" the AAP, and VIRL will provide support as required. In the past I believe we have covered the costs of advertising the AAP, so we can discuss a similar arrangement for this one.

Thank you for your time, and I look forward to working with you on this project.

Sincerely,

A handwritten signature in blue ink, appearing to read "Joel Adams", is written above the printed name.

Joel Adams  
Director of Finance, VIRL



## **COWICHAN VALLEY REGIONAL DISTRICT**

### **BYLAW No. 4028**

**A Bylaw to Establish a Service for the Whole of the Cowichan Valley Regional District for the Purpose of Borrowing Funds on Behalf of the Vancouver Island Regional Library for the Construction of a New Library in Chemainus (Municipality of North Cowichan)**

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**WHEREAS** pursuant to Sections 796 and 800 of the Local Government Act, a regional district may, by bylaw, establish and operate any service that the Board considers necessary or desirable for all or part of the regional district;

**AND WHEREAS** the Board of the Cowichan Valley Regional District wishes to establish a service for the purpose of borrowing funds on behalf of the Vancouver Island Regional Library for a new library in Chemainus (Municipality of North Cowichan);

**AND WHEREAS** the Board of the Cowichan Valley Regional District has obtained the approval of the service area electors in accordance with the Local Government Act and the Community Charter;

**NOW THEREFORE** the Board of the Cowichan Valley Regional District, in open meeting assembled, enacts as follows:

1. **CITATION**

This bylaw may be cited for all purposes as "**CVRD Bylaw No. 4028 – Vancouver Island Regional Library Borrowing Service Area Establishment Bylaw, 2016**".

2. **SERVICE BEING ESTABLISHED**

The service being established under the authority of this bylaw is a service for the purpose of borrowing funds on behalf of the Vancouver Island Regional Library for the construction of a new library in Chemainus (Municipality of North Cowichan).

3. **SERVICE AREA BOUNDARIES**

The boundaries of the service area are the boundaries of the whole of the Cowichan Valley Regional District.

**4. PARTICIPATING AREA**

The participating area for this service is the whole of the Cowichan Valley Regional District comprised of the City of Duncan; District of North Cowichan; Town of Lake Cowichan; Town of Ladysmith; and Electoral Areas: A – Mill Bay/Malahat; B – Shawnigan Lake; C – Cobble Hill; D – Cowichan Bay; E – Sahtlam/Glenora/Cowichan Station; F – Cowichan Lake South/Skutz Falls; G – Saltair/Gulf Islands; H – North Oyster/Diamond; and I – Youbou/Meade Creek.

**5. METHOD OF COST RECOVERY**

The annual cost of providing this service shall be recovered by revenues received by way of agreement, enterprise, gift, grant or otherwise.

**6. MAXIMUM REQUISITION**

The maximum amount of money that may be requisitioned annually in support of this service shall not exceed \$0.00 cents per \$1,000 of net taxable value of land and improvements within the service area.

READ A FIRST TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

READ A SECOND TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

READ A THIRD TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

I hereby certify this to be a true and correct copy of Bylaw No. 4028 as given Third Reading on the this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Corporate Secretary

\_\_\_\_\_  
Date

APPROVED BY THE INSPECTOR OF MUNICIPALITIES this \_\_\_\_\_ day  
of \_\_\_\_\_, 2016.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Corporate Secretary



## **COWICHAN VALLEY REGIONAL DISTRICT**

### **BYLAW No. 4029**

**A Bylaw to Authorize the Borrowing of \$2,230,000 for the service  
of Borrowing Funds on Behalf of the Vancouver Island Regional Library  
for the Construction of a New Library in Chemainus (Municipality of North Cowichan)**

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**WHEREAS** pursuant to Section 801.6 of the Local Government Act, if money is to be borrowed for the start of a service, the establishing bylaw and the loan authorization bylaw must, for the purpose of obtaining participating area approval, be dealt with as if they were one bylaw;

**AND WHEREAS** the Board of the Cowichan Valley Regional District established a Borrowing Service Area pursuant to CVRD Bylaw No. 4028 cited as "CVRD Bylaw No. 4028 – Vancouver Island Regional Library Borrowing Service Area Establishment Bylaw, 2016" for the purpose of borrowing funds on behalf of the Vancouver Island Regional Library for the construction of a new library in Chemainus (Municipality of North Cowichan);

**AND WHEREAS** in order to construct a new library in Chemainus (Municipality of North Cowichan), it is necessary to borrow a sum not exceeding Two Million, Two Hundred and Thirty Thousand Dollars (\$2,230,000), which is the amount of debt intended to be created by this bylaw;

**AND WHEREAS** the maximum term for which debentures may be issued to secure the debt created by this bylaw is for a term not to exceed 20 years and is to be repaid by the Vancouver Island Regional Library;

**AND WHEREAS** the authority to borrow under this bylaw expires five years from the date on which it is adopted;

**AND WHEREAS** the Board of the Cowichan Valley Regional District has obtained the approval of the service area electors for this bylaw and Bylaw No. 4028 in accordance with the *Local Government Act* and *Community Charter*;

**NOW THEREFORE** the Board of Directors of the Cowichan Valley Regional District, in open meeting assembled, enacts as follows:

#### **1. CITATION**

This bylaw may be cited for all purposes as "**CVRD Bylaw No. 4029 – Vancouver Island Regional Library Borrowing Service Loan Authorization Bylaw, 2016**".

**2. LOAN AUTHORIZATION**

The Cowichan Valley Regional District is hereby authorized and empowered to borrow upon the credit of the Regional District a sum not exceeding Two Million, Two Hundred and Thirty Thousand Dollars (\$2,230,000) for borrowing on behalf of the Vancouver Island Regional Library;

**3. TERM OF DEBENTURES**

The maximum term for which debentures may be issued to secure the debt created by this bylaw is 20 years.

**4. SERVICE TO WHICH THE LOAN AUTHORIZATION RELATES**

This bylaw relates to the Vancouver Island Regional Library Borrowing Service Area established pursuant to CVRD Bylaw No. 4028, cited as "CVRD Bylaw No. 4028 - Vancouver Island Regional Library Borrowing Service Area Establishment Bylaw, 2016".

READ A FIRST TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

READ A SECOND TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

READ A THIRD TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

I hereby certify this to be a true and correct copy of Bylaw No. 4029 as given Third Reading on the this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Corporate Secretary

\_\_\_\_\_  
Date

APPROVED BY THE INSPECTOR OF MUNICIPALITIES this \_\_\_\_\_ day  
of \_\_\_\_\_, 2016.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Corporate Secretary





# STAFF REPORT TO THE BOARD

**DATE OF REPORT** September 7, 2016  
**MEETING TYPE & DATE** Board Meeting of September 14, 2016  
**FROM:** Legislative Services Division  
Corporate Services Department  
**SUBJECT:** Chemainus Library Borrowing Update  
**FILE:** Bylaw No. 4028 & Bylaw No. 4029

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## PURPOSE/INTRODUCTION

The purpose of this report is to provide an update on the Chemainus Library Borrowing Bylaws and explain the bylaw changes requested by the Province.

## RECOMMENDED RESOLUTION

For information.

## BACKGROUND

On June 8, 2016, the Board gave first three readings to "CVRD Bylaw No. 4028 – Vancouver Island Regional Library Borrowing Service Area Establishment Bylaw, 2016" and "CVRD Bylaw No. 4029 – Vancouver Island Regional Library Borrowing Service Loan Authorization Bylaw, 2016". Both bylaws were subsequently forwarded to the Province for approval by the Inspector of Municipalities.

Although the CVRD followed the same process that was approved back in 2011 by the Province for the new library in Lake Cowichan, there has been a change in philosophy at the Province and local governments are no longer allowed to establish a "borrowing service". The revised view is that borrowing is not a service. Therefore, it is necessary to amend both bylaws to acknowledge the creation of a "Vancouver Island Regional Library Capital Construction Service". Other changes were also recommended by the Province as detailed below.

## ANALYSIS

The Board needs to rescind third reading of Bylaw No. 4028 and Bylaw No. 4029; amend both bylaws as described below; and give third reading to both bylaws as amended.

### Bylaw No. 4028

- Change the description of the bylaw to: "A Bylaw to Establish a Service for the Whole of the Cowichan Valley Regional District for the Purpose of Vancouver Island Regional Library Capital Construction".
- In the first whereas clause, update the sections of the *Local Government Act* to Sections 332 and 338.
- Change the second whereas clause to: "AND WHEREAS the Board of the Cowichan Valley Regional District wishes to establish a service for the purpose of enabling Vancouver Island Regional Library capital construction".
- Amend Section 1 - Citation to: "This bylaw may be cited for all purposes as "CVRD Bylaw No. 4028 – Vancouver Island Regional Library Capital Construction Service Establishment Bylaw, 2016".
- Change the service being established to: "The service being established under the authority of this bylaw is a service for the purpose of enabling Vancouver Island Regional Library capital construction".

- Under method of cost recovery, add the words “property value taxes”.

#### Bylaw No. 4029

- Change the description of the bylaw to: “A Bylaw to Authorize the Borrowing of \$2,230,000 for the Construction of a New Library in Chemainus”.
- In the first whereas clause, update the section of the *Local Government Act* to Section 348.
- Change the second whereas clause to: AND WHEREAS the Board of the Cowichan Valley Regional District established Vancouver Island Regional Library Capital Construction as a Service pursuant to CVRD Bylaw No. 4028 cited as "CVRD Bylaw No. 4028 – Vancouver Island Regional Library Capital Construction Service Establishment Bylaw, 2016" for the purpose of enabling Vancouver Island Regional Library Capital Construction;
- Insert a new whereas clause: “AND WHEREAS the Vancouver Island Regional Library wishes to construct a new library in Chemainus and has requested the Cowichan Valley Regional District to borrow funds on their behalf”.
- Insert a new whereas clause: “AND WHEREAS pursuant to Section 179(1)(b) of the Community Charter, a regional district may borrow in order to lend to any person or public authority under an agreement”.
- Change the third whereas clause to: “AND WHEREAS so that the Vancouver Island Regional Library may construct a new library in Chemainus, it is necessary to borrow a sum not exceeding Two Million, Two Hundred and Thirty Thousand Dollars (\$2,230,000), which is the amount of debt intended to be created by this bylaw, to be lent to the Vancouver Island Regional Library under an agreement”.
- Amend Section 1 - Citation to: “This bylaw may be cited for all purposes as "CVRD Bylaw No. 4029 – Vancouver Island Regional Library (Chemainus) Loan Authorization Bylaw, 2016”.
- Add additional text to Section 2 - Loan Authorization so that the section reads: “The Cowichan Valley Regional District is hereby authorized and empowered to borrow upon the credit of the Regional District a sum not exceeding Two Million, Two Hundred and Thirty Thousand Dollars (\$2,230,000) in order to lend to the Vancouver Island Regional Library under an agreement so that the Regional Library may construct a new library in Chemainus”.
- Change Section 4 – Service To Which The Loan Authorization Relates to: “This bylaw relates to the Vancouver Island Regional Library Capital Construction Service established pursuant to CVRD Bylaw No. 4028, cited as "CVRD Bylaw No. 4028 – Vancouver Island Regional Library Capital Construction Service Establishment Bylaw, 2016”.

#### **FINANCIAL CONSIDERATIONS**

Not applicable.

#### **COMMUNICATION CONSIDERATIONS**

Following approval of the bylaws by the Inspector of Municipalities, the Board will consider whether or not to proceed with an Alternative Approval Process (AAP) based on the public feedback received during the community engagement period as per the new AAP Policy.

#### **STRATEGIC/BUSINESS PLAN CONSIDERATIONS**

Not applicable.

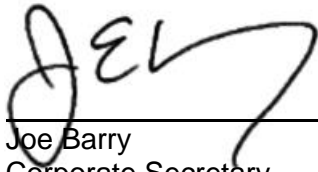
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Referred to (upon completion):

- ☐ Community Services (*Island Savings Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Public Safety, Facilities & Transit*)
- ☒ Corporate Services (*Finance, Human Resources, Legislative Services, Information Technology*)
- ☐ Engineering Services (*Environmental Services, Capital Projects, Water Management, Recycling &*

- Waste Management)*
- ☐ Planning & Development Services (*Community & Regional Planning, Development Services, Inspection & Enforcement, Economic Development, Parks & Trails*)
- ☐ Strategic Services

Prepared by:



Joe Barry  
Corporate Secretary

Reviewed by:

Not Applicable  
Not Applicable



Sharon Moss, CPA, CGA  
A/General Manager

Reviewed for Form and Content and Approved for Submission to the Board:

Chief Administrative Officer's Comments / Concurrence



Brian Carruthers  
Chief Administrative Officer

**ATTACHMENTS:**

Attachment A – Bylaw No. 4028 Original  
Attachment B – Bylaw No. 4028 Revised  
Attachment C – Bylaw No. 4029 Original  
Attachment D – Bylaw No. 4029 Revised



## **COWICHAN VALLEY REGIONAL DISTRICT**

### **BYLAW No. 4028**

**A Bylaw to Establish a Service for the Whole of the Cowichan Valley Regional District for the Purpose of Borrowing Funds on Behalf of the Vancouver Island Regional Library for the Construction of a New Library in Chemainus (Municipality of North Cowichan)**

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**WHEREAS** pursuant to Sections 796 and 800 of the Local Government Act, a regional district may, by bylaw, establish and operate any service that the Board considers necessary or desirable for all or part of the regional district;

**AND WHEREAS** the Board of the Cowichan Valley Regional District wishes to establish a service for the purpose of borrowing funds on behalf of the Vancouver Island Regional Library for a new library in Chemainus (Municipality of North Cowichan);

**AND WHEREAS** the Board of the Cowichan Valley Regional District has obtained the approval of the service area electors in accordance with the Local Government Act and the Community Charter;

**NOW THEREFORE** the Board of the Cowichan Valley Regional District, in open meeting assembled, enacts as follows:

#### **1. CITATION**

This bylaw may be cited for all purposes as "**CVRD Bylaw No. 4028 – Vancouver Island Regional Library Borrowing Service Area Establishment Bylaw, 2016**".

#### **2. SERVICE BEING ESTABLISHED**

The service being established under the authority of this bylaw is a service for the purpose of borrowing funds on behalf of the Vancouver Island Regional Library for the construction of a new library in Chemainus (Municipality of North Cowichan).

#### **3. SERVICE AREA BOUNDARIES**

The boundaries of the service area are the boundaries of the whole of the Cowichan Valley Regional District.

**4. PARTICIPATING AREA**

The participating area for this service is the whole of the Cowichan Valley Regional District comprised of the City of Duncan; District of North Cowichan; Town of Lake Cowichan; Town of Ladysmith; and Electoral Areas: A – Mill Bay/Malahat; B – Shawnigan Lake; C – Cobble Hill; D – Cowichan Bay; E – Sahtlam/Glenora/Cowichan Station; F – Cowichan Lake South/Skutz Falls; G – Saltair/Gulf Islands; H – North Oyster/Diamond; and I – Youbou/Meade Creek.

**5. METHOD OF COST RECOVERY**

The annual cost of providing this service shall be recovered by revenues received by way of agreement, enterprise, gift, grant or otherwise.

**6. MAXIMUM REQUISITION**

The maximum amount of money that may be requisitioned annually in support of this service shall not exceed \$0.00 cents per \$1,000 of net taxable value of land and improvements within the service area.

READ A FIRST TIME this      8<sup>th</sup>      day of      June      , 2016.

READ A SECOND TIME this      8<sup>th</sup>      day of      June      , 2016.

READ A THIRD TIME this      8<sup>th</sup>      day of      June      , 2016.

I hereby certify this to be a true and correct copy of Bylaw No. 4028 as given Third Reading on the      8<sup>th</sup>      day of      June      , 2016.

Joe Barry  
Corporate Secretary

June 10, 2016  
Date

APPROVED BY THE INSPECTOR OF MUNICIPALITIES this \_\_\_\_\_ day  
of \_\_\_\_\_, 2016.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Corporate Secretary



## COWICHAN VALLEY REGIONAL DISTRICT

### BYLAW No. 4028

#### **A Bylaw to Establish a Service for the Whole of the Cowichan Valley Regional District for the Purpose of Vancouver Island Regional Library Capital Construction**

---

**WHEREAS** pursuant to Sections 332 and 338 of the *Local Government Act*, a regional district may, by bylaw, establish and operate any service that the Board considers necessary or desirable for all or part of the regional district;

**AND WHEREAS** the Board of the Cowichan Valley Regional District wishes to establish a service for the purpose of enabling Vancouver Island Regional Library capital construction;

**AND WHEREAS** the Board of the Cowichan Valley Regional District has obtained the approval of the service area electors in accordance with the *Local Government Act* and the *Community Charter*;

**NOW THEREFORE** the Board of the Cowichan Valley Regional District, in open meeting assembled, enacts as follows:

1. **CITATION**

This bylaw may be cited for all purposes as "**CVRD Bylaw No. 4028 – Vancouver Island Regional Library Capital Construction Service Establishment Bylaw, 2016**".

2. **SERVICE BEING ESTABLISHED**

The service being established under the authority of this bylaw is a service for the purpose of enabling Vancouver Island Regional Library capital construction.

3. **SERVICE AREA BOUNDARIES**

The boundaries of the service area are the boundaries of the whole of the Cowichan Valley Regional District.

**4. PARTICIPATING AREA**

The participating area for this service is the whole of the Cowichan Valley Regional District comprised of the City of Duncan; District of North Cowichan; Town of Lake Cowichan; Town of Ladysmith; and Electoral Areas: A – Mill Bay/Malahat; B – Shawnigan Lake; C – Cobble Hill; D – Cowichan Bay; E – Sahtlam/Glenora/Cowichan Station; F – Cowichan Lake South/Skutz Falls; G – Saltair/Gulf Islands; H – North Oyster/Diamond; and I – Youbou/Meade Creek.

**5. METHOD OF COST RECOVERY**

The annual cost of providing this service shall be recovered by revenues received by way of property value taxes, agreement, enterprise, gift, grant or otherwise.

**6. MAXIMUM REQUISITION**

The maximum amount of money that may be requisitioned annually in support of this service shall not exceed \$0.00 cents per \$1,000 of net taxable value of land and improvements within the service area.

READ A FIRST TIME this                    8<sup>th</sup>                    day of                    June,                    2016.

READ A SECOND TIME this                    8<sup>th</sup>                    day of                    June,                    2016.

READ A THIRD TIME this                    8<sup>th</sup>                    day of                    June,                    2016.

THIRD READING RESCINDED this                    day of                    2016.

READ A THIRD TIME this                    day of                    2016.

I hereby certify this to be a true and correct copy of Bylaw No. 4028 as given Third Reading on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Corporate Secretary

\_\_\_\_\_  
Date

APPROVED BY THE INSPECTOR OF MUNICIPALITIES this \_\_\_\_\_ day  
of \_\_\_\_\_, 2016.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Corporate Secretary



## COWICHAN VALLEY REGIONAL DISTRICT

### BYLAW No. 4029

**A Bylaw to Authorize the Borrowing of \$2,230,000 for the service of Borrowing Funds on Behalf of the Vancouver Island Regional Library for the Construction of a New Library in Chemainus (Municipality of North Cowichan)**

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**WHEREAS** pursuant to Section 801.6 of the Local Government Act, if money is to be borrowed for the start of a service, the establishing bylaw and the loan authorization bylaw must, for the purpose of obtaining participating area approval, be dealt with as if they were one bylaw;

**AND WHEREAS** the Board of the Cowichan Valley Regional District established a Borrowing Service Area pursuant to CVRD Bylaw No. 4028 cited as "CVRD Bylaw No. 4028 – Vancouver Island Regional Library Borrowing Service Area Establishment Bylaw, 2016" for the purpose of borrowing funds on behalf of the Vancouver Island Regional Library for the construction of a new library in Chemainus (Municipality of North Cowichan);

**AND WHEREAS** in order to construct a new library in Chemainus (Municipality of North Cowichan), it is necessary to borrow a sum not exceeding Two Million, Two Hundred and Thirty Thousand Dollars (\$2,230,000), which is the amount of debt intended to be created by this bylaw;

**AND WHEREAS** the maximum term for which debentures may be issued to secure the debt created by this bylaw is for a term not to exceed 20 years and is to be repaid by the Vancouver Island Regional Library;

**AND WHEREAS** the authority to borrow under this bylaw expires five years from the date on which it is adopted;

**AND WHEREAS** the Board of the Cowichan Valley Regional District has obtained the approval of the service area electors for this bylaw and Bylaw No. 4028 in accordance with the *Local Government Act* and *Community Charter*;

**NOW THEREFORE** the Board of Directors of the Cowichan Valley Regional District, in open meeting assembled, enacts as follows:

#### 1. CITATION

This bylaw may be cited for all purposes as "**CVRD Bylaw No. 4029 – Vancouver Island Regional Library Borrowing Service Loan Authorization Bylaw, 2016**".



**2. LOAN AUTHORIZATION**

The Cowichan Valley Regional District is hereby authorized and empowered to borrow upon the credit of the Regional District a sum not exceeding Two Million, Two Hundred and Thirty Thousand Dollars (\$2,230,000) for borrowing on behalf of the Vancouver Island Regional Library;

**3. TERM OF DEBENTURES**

The maximum term for which debentures may be issued to secure the debt created by this bylaw is 20 years.

**4. SERVICE TO WHICH THE LOAN AUTHORIZATION RELATES**

This bylaw relates to the Vancouver Island Regional Library Borrowing Service Area established pursuant to CVRD Bylaw No. 4028, cited as "CVRD Bylaw No. 4028 - Vancouver Island Regional Library Borrowing Service Area Establishment Bylaw, 2016".

READ A FIRST TIME this        8<sup>th</sup>        day of        June        ,        2016.

READ A SECOND TIME this        8<sup>th</sup>        day of        June        ,        2016.

READ A THIRD TIME this        8<sup>th</sup>        day of        June        ,        2016.

I hereby certify this to be a true and correct copy of Bylaw No. 4029 as given Third Reading on the        8<sup>th</sup>        day of        June        , 2016.

Joe Barry  
Corporate Secretary

June 10, 2016  
Date

APPROVED BY THE INSPECTOR OF MUNICIPALITIES this \_\_\_\_\_ day  
of \_\_\_\_\_, 2016.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Corporate Secretary



## COWICHAN VALLEY REGIONAL DISTRICT

### BYLAW No. 4029

#### **A Bylaw to Authorize the Borrowing of \$2,230,000 for the Construction of a New Library in Chemainus**

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**WHEREAS** pursuant to Section 348 of the *Local Government Act*, if money is to be borrowed for the start of a service, the establishing bylaw and the loan authorization bylaw must, for the purpose of obtaining participating area approval, be dealt with as if they were one bylaw;

**AND WHEREAS** the Board of the Cowichan Valley Regional District established Vancouver Island Regional Library Capital Construction as a Service pursuant to CVRD Bylaw No. 4028 cited as "CVRD Bylaw No. 4028 – Vancouver Island Regional Library Capital Construction Service Establishment Bylaw, 2016" for the purpose of enabling Vancouver Island Regional Library Capital Construction;

**AND WHEREAS** the Vancouver Island Regional Library wishes to construct a new library in Chemainus and has requested the Cowichan Valley Regional District to borrow funds on their behalf;

**AND WHEREAS** pursuant to Section 179(1)(b) of the *Community Charter*, a regional district may borrow in order to lend to any person or public authority under an agreement;

**AND WHEREAS** so that the Vancouver Island Regional Library may construct a new library in Chemainus, it is necessary to borrow a sum not exceeding Two Million, Two Hundred and Thirty Thousand Dollars (\$2,230,000), which is the amount of debt intended to be created by this bylaw, to be lent to the Vancouver Island Regional Library under an agreement;

**AND WHEREAS** the maximum term for which debentures may be issued to secure the debt created by this bylaw is for a term not to exceed 20 years and is to be repaid by the Vancouver Island Regional Library;

**AND WHEREAS** the authority to borrow under this bylaw expires five years from the date on which it is adopted;

**AND WHEREAS** the Board of the Cowichan Valley Regional District has obtained the approval of the service area electors for this bylaw and Bylaw No. 4028 in accordance with the *Local Government Act* and *Community Charter*;

**NOW THEREFORE** the Board of Directors of the Cowichan Valley Regional District, in open meeting assembled, enacts as follows:

**1. CITATION**

This bylaw may be cited for all purposes as "CVRD Bylaw No. 4029 – Vancouver Island Regional Library (Chemainus) Loan Authorization Bylaw, 2016".

**2. LOAN AUTHORIZATION**

The Cowichan Valley Regional District is hereby authorized and empowered to borrow upon the credit of the Regional District a sum not exceeding Two Million, Two Hundred and Thirty Thousand Dollars (\$2,230,000) in order to lend to the Vancouver Island Regional Library under an agreement so that the Regional Library may construct a new library in Chemainus;

**3. TERM OF DEBENTURES**

The maximum term for which debentures may be issued to secure the debt created by this bylaw is 20 years.

**4. SERVICE TO WHICH THE LOAN AUTHORIZATION RELATES**

This bylaw relates to the Vancouver Island Regional Library Capital Construction Service established pursuant to CVRD Bylaw No. 4028, cited as "CVRD Bylaw No. 4028 – Vancouver Island Regional Library Capital Construction Service Establishment Bylaw, 2016".

READ A FIRST TIME this                    8<sup>th</sup>                    day of                    June                    , 2016.

READ A SECOND TIME this                    8<sup>th</sup>                    day of                    June                    , 2016.

READ A THIRD TIME this                    8<sup>th</sup>                    day of                    June                    , 2016.

THIRD READING RESCINDED this                                       day of                                       , 2016.

READ A THIRD TIME this                                       day of                                       , 2016.

I hereby certify this to be a true and correct copy of Bylaw No. 4029 as given Third Reading on the                    day of                    , 2016.

\_\_\_\_\_  
Corporate Secretary

\_\_\_\_\_  
Date

APPROVED BY THE INSPECTOR OF MUNICIPALITIES this                    day  
of                    , 2016.

ADOPTED this                    day of                    , 2016.

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Corporate Secretary



# STAFF REPORT TO THE BOARD

**DATE OF REPORT** November 1, 2016  
**MEETING TYPE & DATE** Board Meeting of November 9, 2016  
**FROM:** Legislative Services Division  
Corporate Services Department  
**SUBJECT:** Chemainus Library Alternative Approval Process (AAP)  
**FILE:** Bylaw No. 4028 / Bylaw No. 4029

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## PURPOSE/INTRODUCTION

The purpose of this report is to set the deadline date for the Vancouver Island Regional Library Capital Construction Service Establishment and Vancouver Island Regional Library (Chemainus) Loan Authorization Alternative Approval Process.

## RECOMMENDED RESOLUTION

That the deadline for responses for the Alternative Approval Process for “CVRD Bylaw No. 4028 – Vancouver Island Regional Library Capital Construction Service Establishment Bylaw, 2016” and “CVRD Bylaw No. 4029 – Vancouver Island Regional Library (Chemainus) Loan Authorization Bylaw, 2016” be set at 4:30 PM, Monday, January 23, 2017.

## BACKGROUND

On September 14, 2016, the Board gave third reading to CVRD Bylaw No. 4028 – Vancouver Island Regional Library Capital Construction Service Establishment Bylaw, 2016 and CVRD Bylaw No. 4029 – Vancouver Island Regional Library (Chemainus) Loan Authorization Bylaw, 2016. The two bylaws were subsequently forwarded to the Inspector of Municipalities for approval. Provincial approval has been received and the Board may now proceed with obtaining public approval (elector consent) through an Alternative Approval Process.

## ANALYSIS

Pursuant to the *Local Government Act* and the *Community Charter*, the Board must set the deadline for receiving elector responses for the Alternative Approval Process (AAP). In accordance with the Board's new Alternative Approval Process Policy (Attachment A), the elector response deadline date is to be a minimum of 60 days following the publication of the second statutory newspaper advertisement.

The first statutory newspaper advertisement is slated to run on November 16<sup>th</sup> and the second statutory newspaper advertisement is set to appear on November 23<sup>rd</sup>. Following the policy requirements, January 23, 2017 would be the deadline date for submissions.

If established, the Vancouver Island Regional Library (VIRL) Capital Construction Service would allow the CVRD to borrow funds on behalf of VIRL for the construction of a new library in Chemainus. While all jurisdictions in the regional district would be partners in this new service, it is important to note that the maximum requisition limit would be zero (\$0.00). The CVRD would adopt a loan authorization bylaw for \$2.23 million and VIRL will be responsible, through a formal agreement, to pay all of the debt and costs associated with this process.

Newspaper advertising, direct mail-outs and informational displays in all VIRL branches within the CVRD boundaries have occurred since the summer. To date, there have been no objections registered with myself regarding the proposed concept of borrowing on behalf of VIRL to construct a new library in Chemainus.

In order to proceed, a Notice of Alternative Approval Process (Attachment B) and Elector Response Form (Attachment C) have been drafted.

#### FINANCIAL CONSIDERATIONS

VIRL will reimburse the CVRD for all advertising costs that have been incurred to date as well as during the AAP elector response period.

#### COMMUNICATION CONSIDERATIONS

In addition to the two required statutory newspaper advertisements in both the Cowichan Valley Citizen and the Ladysmith Chronicle, there will be a weekly supplemental insertion in the "Living in the CVRD" feature in the Citizen during the duration of the elector response period.

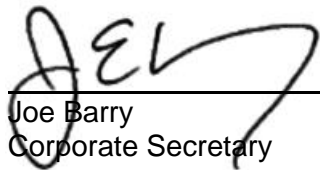
#### STRATEGIC/BUSINESS PLAN CONSIDERATIONS

The new AAP Policy was adopted as part of Section 5.2 – Community Engagement Policy.

Referred to (upon completion):

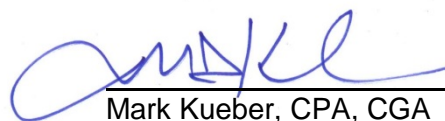
- ☐ Community Services (*Island Savings Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Public Safety, Facilities & Transit*)
- ☐ Corporate Services (*Finance, Human Resources, Legislative Services, Information Technology*)
- ☐ Engineering Services (*Environmental Services, Capital Projects, Water Management, Recycling & Waste Management*)
- ☐ Planning & Development Services (*Community & Regional Planning, Development Services, Inspection & Enforcement, Economic Development, Parks & Trails*)
- ☐ Strategic Services

Prepared by:

  
Joe Barry  
Corporate Secretary

Reviewed by:

Not Applicable  
Not Applicable

  
Mark Kueber, CPA, CGA  
General Manager

Reviewed for Form and Content and Approved for Submission to the Board:

Chief Administrative Officer's Comments / Concurrence

  
Brian Carruthers  
Chief Administrative Officer

**ATTACHMENTS:**

Attachment A – Alternative Approval Process (AAP) Policy

Attachment B – Notice of Alternative Approval Process - Bylaw No. 4028 / Bylaw No. 4029

Attachment C – Elector Response Form - Bylaw No. 4028 / Bylaw No. 4029



## **ALTERNATIVE APPROVAL PROCESS (AAP) POLICY**

Applicability: All CVRD

Effective Date: June 8, 2016

### **PURPOSE:**

To establish procedures for conducting an Alternative Approval Process (AAP).

### **POLICY:**

#### **Community Engagement**

1. When public approval is required for a proposed bylaw, community engagement will occur between third reading of the bylaw and the setting of the AAP elector response deadline by the Board of Directors. The level of community engagement will depend on the complexity and financial impact of the proposal.
2. During the approximately two month time period after third reading when the proposed bylaw is being reviewed by the Inspector of Municipalities, the reasons for the proposed new service or increase to the current maximum tax requisition will be communicated to the electors in the service area.
3. Opportunities will be established whereby the electors in the service area will be able to communicate whether or not they support the proposal.
4. Following approval of the bylaw by the Inspector of Municipalities, the Board will consider whether or not to proceed with an AAP based on the public feedback received during the community engagement. The Board may choose to abandon the proposal, obtain public approval through a referendum, or proceed with the AAP.

#### **AAP Elector Response Deadline Date and Advertising**

5. The elector response deadline date will be a minimum of 60 days following the publication of the second statutory newspaper advertisement.
6. During the minimum 60 day elector response period, a weekly supplemental newspaper advertisement, using everyday common language, will be published in a newspaper serving the service area.
7. If the service area is not located within the circulation area of a weekly newspaper, a separate supplemental advertising process will be undertaken.

#### **Availability of AAP Elector Response Forms**

8. The maximum number of paper copies of Elector Response Forms will be limited to 10 forms per individual per AAP at no cost.

### **Submission of AAP Elector Response Forms**

9. In order to assist electors in registering their opposition to a proposal, including those who are out-of-town during the elector response period, the regional district will accept Elector Response Forms by email, fax, regular mail and by hand delivery to the Ingram Street office in Duncan. All forms must be received by the deadline date and time specified for the AAP.

Approved by: CVRD Board Approval date: June 8, 2016
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**Notice to Electors Within the Whole of the Cowichan Valley Regional District  
of an Alternative Approval Process Opportunity for  
Vancouver Island Regional Library Construction Service Establishment Bylaw No. 4028  
and Vancouver Island Regional Library (Chemainus) Loan Authorization Bylaw No. 4029**

**NOTICE IS HEREBY GIVEN** that the Board of the Cowichan Valley Regional District (CVRD) proposes to adopt "CVRD Bylaw No. 4028 – Vancouver Island Regional Library Construction Service Establishment Bylaw No. 4028" and "CVRD Bylaw No. 4029 - Vancouver Island Regional Library (Chemainus) Loan Authorization Bylaw No. 4029".

**BYLAW SUMMARY**

If adopted, Bylaw Nos. 4028 and 4029 will allow the CVRD to establish a Vancouver Island Regional Library Construction Service and to borrow up to a maximum of \$2,230,000 on behalf of the Vancouver Island Regional Library for a period of 20 years for the construction of a new library in Chemainus. Should the maximum amount be borrowed, the cost to property owners within the service area with a residential property assessed at \$100,000 would be \$0 (zero) per annum as set out in the table below. All costs incurred on this project by the CVRD will be recovered from the Vancouver Island Regional Library Board, by agreement. The complete bylaws are available for review at the CVRD office, located at 175 Ingram Street in Duncan, during regular office hours, Monday to Friday 8:00 AM - 4:30 PM, excluding statutory holidays. Copies of the bylaws are also available on the CVRD website at [www.cvrld.bc.ca](http://www.cvrld.bc.ca).

Calculation Table

<b>Net Taxable Value (Land &amp; Improvements)</b>	<b>Maximum Annual Cost Per Residential Property Owner</b>	<b>Number of Electors in the Service Area</b>	<b>10% of the Electors</b>
\$100,000	\$0.00	60,388	6,038

**ALTERNATIVE APPROVAL PROCESS AND ELIGIBILITY**

The CVRD may adopt these bylaws unless at least 10% of electors within the regional district indicate that a referendum must be held by submitting a signed *Elector Response Form* to the CVRD office **no later** than 4:30 PM, Monday, January 23, 2017. The *Elector Response Form* must be in the form established by the CVRD, and only those persons who qualify as electors of the Cowichan Valley Regional District comprised of Electoral Areas: A - Mill Bay/Malahat; B - Shawnigan Lake; C - Cobble Hill; D - Cowichan Bay; E - Cowichan Station/Sahtlam/Glenora; F - Cowichan Lake South/Skutz Falls; G - Saltair/Gulf Islands; H - North Oyster/Diamond; I - Youbou/Meade Creek; and the City of Duncan; Municipality of North Cowichan; Town of Ladysmith; and Town of Lake Cowichan are entitled to sign. Electors may qualify as either resident electors or as non-resident property electors, as follows:

**Resident Elector** – You are entitled to submit an *Elector Response Form* as a resident elector if you are age 18 or older on the day of submission, are a Canadian citizen, have lived in BC for at least six months, and have been a resident of the CVRD for the past 30 days or more.

**Non-Resident Property Elector** – You are entitled to submit an *Elector Response Form* as a non-resident property elector if you are age 18 or older on the day of submission, are a Canadian citizen, have lived in BC for at least six months, have owned and held registered title to a property in the CVRD for the past 30 days or more, and do not qualify as a resident elector. NOTE: Only one non-resident property elector may submit a response form per property, regardless of how many owners there may be.

If less than 10% (6,038) of the area electors submit an *Elector Response Form*, the bylaws will be deemed to have the approval of the electors and the CVRD Board may adopt the bylaws. For the purpose of conducting the alternative approval opportunity, the number of area electors is calculated at 60,388.

*Elector Response Forms* are available from the CVRD, 175 Ingram Street, Duncan, BC V9L 1N8, Phone 250.746.2500 / 1.800.665.3955, e-mail [jbarry@cvrd.bc.ca](mailto:jbarry@cvrd.bc.ca) **OR** on the CVRD website at [www.cvrld.bc.ca](http://www.cvrld.bc.ca)



**Attachment C**  
**ELECTOR RESPONSE FORM**  
**BYLAW NUMBERS 4028 and 4029**

The Cowichan Valley Regional District (CVRD) is proposing to adopt "CVRD Bylaw No. 4028 – Vancouver Island Regional Library Construction Service Establishment Bylaw No. 4028" and "CVRD Bylaw No. 4029 - Vancouver Island Regional Library (Chemainus) Loan Authorization Bylaw No. 4029" which would allow the CVRD to establish a Vancouver Island Regional Library Construction Service and to borrow up to a maximum of \$2,230,000 on behalf of the Vancouver Island Regional Library for a period of 20 years for the construction of a new library in Chemainus. Should the maximum amount be borrowed, the cost to property owners within the service area with a residential property assessed at \$100,000 would be \$0 (zero) per annum. All costs incurred on this project by the CVRD will be recovered from the Vancouver Island Regional Library Board, by agreement. The proposed Vancouver Island Regional Library Construction Service Area is comprised of Electoral Areas: A - Mill Bay/Malahat; B - Shawnigan Lake; C - Cobble Hill; D - Cowichan Bay; E - Cowichan Station/Sahtlam/Glenora; F - Cowichan Lake South/Skutz Falls; G - Saltair/Gulf Islands; H - North Oyster/Diamond; I - Youbou/Meade Creek; and the City of Duncan; Municipality of North Cowichan; Town of Ladysmith; and Town of Lake Cowichan. If you are opposed to the adoption of these bylaws, you may indicate your opposition by signing and returning this *Elector Response Form* to the Regional District office by 4:30 pm, Monday, January 23, 2017. Only those persons who live or own property within the Cowichan Valley Regional District and meet the following qualifications are eligible to submit an *Elector Response Form*.

I hereby certify that:

- I am a Canadian citizen;
- I am an individual who is age 18 or older;
- I have been a resident of British Columbia for at least the past six months;
- I have been a resident of the Cowichan Valley Regional District for the past 30 days **or** I am entitled to register as a non-resident property elector;
- I am not disqualified by the *Local Government Act*, or any other enactment, from voting in an election or am not otherwise disqualified by law.

I understand and acknowledge that I may not sign an *Elector Response Form* more than once in relation to this alternative approval process.

NAME OF ELECTOR: \_\_\_\_\_  
(please print full name)

ELECTOR STREET ADDRESS: \_\_\_\_\_  
(residential address)

\*\*\*\*\*

**OR**

**(non-resident property electors only)** \_\_\_\_\_  
(property address)

Address of property in relation to which  
I am entitled to register as a non-resident  
property elector.

\_\_\_\_\_  
(contact telephone number including area code)

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**SIGNATURE OF ELECTOR:** \_\_\_\_\_

**NOTE:** The **signed** *Elector Response Form* must be returned to the CVRD Offices located at 175 Ingram Street, Duncan, BC, V9L 1N8 on or before 4:30 PM, **Monday, January 23, 2017**. Forms can be emailed to [aapresponse@cvr.bc.ca](mailto:aapresponse@cvr.bc.ca) or faxed to 250.746.2513. Regular office hours are 8:00 AM to 4:30 PM, Monday through Friday, excluding statutory holidays.

**Section 86(6) of the *Community Charter* requires all electors to submit their response on the form established by the CVRD, or an accurate copy of that form.**