

DATE OF MEETING DECEMBER 20, 2021

AUTHORED BY LAURA MERCER, DIRECTOR, FINANCE

**SUBJECT REGIONAL DISTRICT OF NANAIMO “REGIONAL PARKS AND TRAILS SERVICE AREA AMENDMENT BYLAW NO. 1231.08, 2021”**

## **OVERVIEW**

### **Purpose of Report**

To provide Council with background information and the request from the Regional District of Nanaimo regarding the “Regional District of Nanaimo Regional Parks and Trails Service Area Amendment Bylaw No. 1231.08, 2021”.

### **Recommendation**

That Council consent to the adoption of “Regional District of Nanaimo Regional Parks and Trails Service Area Amendment bylaw No. 1231.08, 2021” and further, that the Regional District of Nanaimo be notified accordingly.

## **BACKGROUND**

The Regional District of Nanaimo (RDN) currently requisitions the City of Nanaimo annually for Regional parks and trails under the following categories:

### **Regional Parks**

The annual costs for operations and maintenance is apportioned among the participating areas on the basis of the proportional share of the population of each of the participating areas to the total population of all the participating areas. The most recent census conducted by Statistics Canada is used to determine the population numbers. The City of Nanaimo levies this amount based on assessed value on the annual property tax notice to property owners.

### **Regional Parks Parcel Tax**

The annual costs for acquisitions and capital development is apportioned on the basis of the number of taxable parcels that are within a participating area. The City of Nanaimo levies this as a flat parcel tax on the annual property tax notice to applicable property owners.

Starting in 2006, the City of Nanaimo’s participation was funded by an annual parcel tax of \$10 for every taxable parcel in the City. Subsequent years were:

- 2011 - 2013 - \$11
- 2014 - 2015 - \$13
- 2016 - 2018 - \$14
- 2019 - \$16
- 2020 - 2021 - \$20

Each year the RDN advises the City of the amounts needed to be collected through property taxes on behalf of the RDN.

As part of the approval process for the RDN bylaw, when amendments are made, the RDN requires the consent of at least 2/3 of the local service participants prior to adoption by the RDN Board.

An amendment to "Regional District of Nanaimo Regional Parks and Trails Service Area Conversion Bylaw No. 1231, 2001" was last brought before Council in 2020. The amendment was to increase the parcel tax from \$16 to \$20 and Council approved the recommended amendment.

## **DISCUSSION**

Staff received correspondence from the RDN advising that at the regular meeting held 2021-OCT-26, the RDN introduced and read three times "Regional District of Nanaimo Regional Parks and Trails Service Area Amendment Bylaw No. 1231.08, 2021".

This bylaw amendment proposes the following:

### **Regional Parks**

Allocate operations and maintenance costs among service participants on the combination (50-50) of converted assessment and population, rather than population alone.

The City would continue to levy this requisition based on assessed value on the annual property tax notice.

### **Regional Parks Parcel Tax**

Allocate the acquisitions and capital costs among service participants on the combination (50-50) of converted assessment and population, rather than on the number of parcels.

Based on this change, the City would levy this requisition based on assessed value on the annual property tax notice rather than a flat parcel tax amount.

Attached for Council's information is correspondence from the RDN (Attachment A) and a copy of "Regional District of Nanaimo Regional Parks and Trails Service Area Amendment Bylaw No. 1231.08, 2021" (Attachment B) and the Regional District of Nanaimo Staff Report dated 2021-OCT-26 (Attachment C).

## **FINANCIAL IMPLICATIONS**

The change in the levy calculation is an attempt to allocate the costs across the participating jurisdictions in a more equitable manner. Based on the calculations that the RDN has done using 2021 assessment data, the City of Nanaimo would see a slight decrease in the overall requisition for these two functions in 2022.

Estimated Impact to a Typical Household in 2022 Valued at \$544,227:

	Current Levy	Proposed Levy	Change
Regional Parks Levy	\$ 27.39	\$ 25.90	\$ (1.49)
Parks Parcel Tax	20.00	-	(20.00)
New Parks & Trails Levy	-	15.30	15.30
	<b>\$ 47.39</b>	<b>\$ 41.20</b>	<b>\$ (6.19)</b>

Note: Tax rates are based on 2021 assessment values

## **OPTIONS**

- That Council consent to the adoption of "Regional district of Nanaimo Regional Parks and Trails Service Area Amendment Bylaw No. 1231.08, 2021" and further, that the Regional District of Nanaimo be notified accordingly.
  - The advantages of this option: Consent would encourage strong partnership and strategic alliance between the RDN and the City of Nanaimo.
  - The disadvantages of this option: the RDN will rely on other local service partnerships for consent which could diminish the City's strong partnership with the RDN.
  - Financial Implications: Based on the 2021 population and assessment data, the City would see little change in the amount requisitioned from the RDN based on this new calculation method.
- That Council provide alternative direction.

## **SUMMARY POINTS**

- The RDN is requesting Council support for adoption of the "Regional District of Nanaimo Regional Parks and Trails Service Area Amendment Bylaw No. 1231.08, 2021".
- The proposed bylaw would amend the annual requisition collection from a parcel tax to a levy for the costs associated with park acquisitions and capital development
- This levy would be calculated using a combination (50% - 50%) of converted assessment and population for Regional Parks.
- As part of the approval process for the bylaw, the RDN requires the consent of at least 2/3 of the local service participants prior to adoption by the RDN board.

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**ATTACHMENTS:**

Attachment A: Correspondence from the Regional District of Nanaimo

Attachment B: "Regional Parks and Trails Service Area Amendment Bylaw No. 1231.08, 2021"

Attachment C: Regional District of Nanaimo Staff Report dated 2021-OCT-26 |

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