



Making a difference...together

**Capital Regional District**

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May 19, 2017

File 3900-03

**RE: Bylaw No. 4127, Arts and Culture Support Service Establishment Bylaw No. 1, 2001, Amendment Bylaw No. 4, 2017**

Attached is a copy of CRD Bylaw No. 4127 at third reading. Please place this Bylaw on your next Council agenda with a request to give consent to the adoption of the Bylaw in accordance with Section 346 of the *Local Government Act*.

The purpose of the Bylaw is to:

- Rename non-Group 1 participants as "Group 2"
- Update assessment calculation methods and changes to minimum contribution levels
- Add the Southern Gulf Islands Electoral Area to the Service (Group 2)

In order to amend the establishing bylaw of this service, consent is required from 2/3rds of participants which include the Township of Esquimalt, District of Highlands, District of Metchosin, District of Oak Bay, District of Saanich, Town of Sidney, City of Victoria, Town of View Royal and the Southern Gulf Islands Electoral Area Director.

As background, please find attached staff reports, the proposed bylaw as well as the draft consolidated bylaw.

If you require additional information prior to forwarding this request to Council, or if you wish to have CRD staff present when Bylaw No. 4127 is presented to Council, please let me know.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Emilie Gorman', with a stylized flourish at the end.

Emilie Gorman  
Deputy Corporate Officer  
Legislative and Corporate Services  
T 250.360.3127  
E [egorman@crd.bc.ca](mailto:egorman@crd.bc.ca)

Encl. (3)  
CRD Bylaw No. 4127  
CRD Bylaw No. 2884 (Draft Consolidation)  
CRD Staff Report

**CAPITAL REGIONAL DISTRICT  
BYLAW NO. 4127**

\*\*\*\*\*  
**A BYLAW TO AMEND BYLAW NO. 2884, BEING “ARTS AND CULTURE SUPPORT  
SERVICE ESTABLISHMENT BYLAW NO. 1, 2001”**  
\*\*\*\*\*

The Board of the Capital Regional District in open meeting assembled enacts as follows:

1. Bylaw No. 2884, “Arts and Culture Support Service Establishment Bylaw No. 1, 2001,” is amended as follows:

a) By adding to end of Section 2 “and the Southern Gulf Islands Electoral Area”

b) By deleting Section 3 in its entirety and substituting the following:

**“3. Participating Areas:**

- (1) The Township of Esquimalt, District of Highlands, District of Metchosin, District of Oak Bay, District of Saanich, Town of Sidney, City of Victoria, Town of View Royal, and the Southern Gulf Islands Electoral Area are the participating areas for this service.
- (2) In this bylaw, “**Group 1 Participating Areas**” in each year means the Township of Esquimalt, District of Oak Bay, District of Saanich, City of Victoria, and the Town of View Royal.
- (3) In this bylaw, “**Group 2 Participating Areas**” in each year means the District of Highlands, District of Metchosin, Town of Sidney and the Southern Gulf Islands Electoral Area.

c) By deleting Sections 6 and 7 in their entirety and inserting a new section 6:

**“6. Apportionment**

- (1) The amount of annual costs recovered by requisition in accordance with Section 4 (a) of this bylaw, shall be apportioned among the Participating Areas by dividing the costs into two equal parts, one part to be apportioned on the basis of population and one part to be apportioned on the basis of assessments and applying the formulae in Section 6 (2) below.

(2) For the purpose of this section:

**(a) Group 1 Participants:**

- (i) **Population** is the total population estimate as determined annually by the Regional Planning Services Department of the Capital Regional District, and

(ii) **Assessments** are the annual converted value of land and improvements in the Participating Areas.

(b) **Group 2 Participants** (subject to Section 6 (2)(c) below):

- (i) **Population** is 30 % of the population estimate as determined annually by the Regional Planning Services Department of the Capital Regional District, and
- (ii) **Assessments** are 30% the converted value of land and improvements in the Participating Areas, or
- (iii) A greater percentage amount if indicated in writing by a Participating Area.

(c) **Transitional provisions for New and Existing Group 2 Participants:**

- (i) New Participants are subject to 6 (2)(b) above except in the first year of participation their percentage is a minimum of 10% and in their second year of participation their percentage is a minimum of 20%
- (ii) Participants contributing at less than 20% at the date of adoption of this bylaw, must contribute at a minimum percentage of 20% for 2018.”
- (iii) New Participants may withdraw from the Service within two years of joining provided that written notice that the Participant intends to withdraw is delivered to the CRD Corporate Officer on or before July 1<sup>st</sup> of the first or second year of membership to be effective as of January 1<sup>st</sup> the following year.
- (iv) Participants described in section 6 (2) (c)(ii) may withdraw from the Service within two calendar years of adoption of this bylaw provided that written notice that the Participant intends to withdraw is delivered to the CRD Corporate Officer on or before July 1<sup>st</sup> of the first or second year since adoption, to be effective as of January 1<sup>st</sup> the following year.

d) By renumbering Section 8 to Section 7, by deleting Section 9 in its entirety, and by renumbering Sections 10 and 11, to Sections 8 and 9.

2. This bylaw may be cited for all purposes as the “Arts and Culture Support Service Establishment Bylaw No. 1, 2001, Amendment Bylaw No. 4, 2017”.

**CONSENTED TO BY AT LEAST TWO THIRDS** of the Councils of the Township of Esquimalt, District of Highlands, District of Metchosin, District of Oak Bay, District of Saanich, Town of Sidney, City of Victoria, Town of View Royal and the Southern Gulf Islands Electoral Area Director.

READ A FIRST TIME this 10<sup>th</sup> day of May 2017.

READ A SECOND TIME this 10<sup>th</sup> day of May 2017.

READ A THIRD TIME this 10<sup>th</sup> day of May 2017.

APPROVED BY THE INSPECTOR OF MUNICIPALITIES this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

ADOPTED this \_\_\_\_\_<sup>th</sup> day of \_\_\_\_\_ 2017.

\_\_\_\_\_  
CHAIR

\_\_\_\_\_  
CORPORATE OFFICER

**CAPITAL REGIONAL DISTRICT  
BYLAW NO. 2884**

\*\*\*\*\*

**A BYLAW TO ESTABLISH THE GIVING OF  
ARTS AND CULTURAL GRANTS AS A SERVICE**

\*\*\*\*\*

**(as amended by Bylaws 3481, 3616 and 4127)**

**WHEREAS** under section 176(1)(c) of the *Local Government Act* the Capital Regional District may provide assistance for the purpose of benefiting the community or any aspect of the community;

**AND WHEREAS** there is a desire on the part of the municipalities which currently participate in the Greater Victoria Inter-Municipal Committee (“IMC”) to move activities of the IMC to the Capital Regional District and establish a service to carry out these same activities;

**AND WHEREAS** the participating municipalities of the IMC, being the City of Victoria, the District of Saanich, the District of Oak Bay and the Township of Esquimalt have established a Greater Victoria Arts Commission to provide advice on matters involving the arts within the Greater Victoria area and there is a desire to allow for the establishment of committees to provide advice to the Capital Regional District on these same matters;

**AND WHEREAS** the Board of the Capital Regional District considers it desirable to establish for the regional district a service to provide for the giving of assistance for the purpose of benefiting the community or an aspect of the community to be known as the “Arts and Cultural Support Service”;

**AND WHEREAS** the Board of the Capital Regional District wishes to proceed under section 796 of the *Local Government Act* to establish the service under Division 4.1 of Part 24 of the *Local Government Act*;

**AND WHEREAS** the Board of the Capital Regional District has obtained the consent of the Councils of the municipalities of Victoria, Saanich, Oak Bay, Esquimalt, Highlands, Metchosin, View Royal and Sidney;

*(Bylaws 3481, 3616)*

**AND WHEREAS** under section 804(2)(g) of the *Local Government Act* with respect to a service established to provide assistance under section 176(1)(c) the cost of providing the service may be apportioned among the municipalities or electoral areas benefiting from the assistance, with the service area deemed to be all those areas and the Board of the Capital Regional District wishes to establish a service for the purpose of providing assistance with the cost of the service being apportioned among the municipalities or electoral areas benefiting from the assistance;

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

1. **Service**

The service hereby established is the provision of assistance in relation to the arts and culture for the purpose of benefiting the community or an aspect of the community to be known as the “Arts and Culture Support Service”.

2. **Boundaries**

The boundaries of the service area shall be the boundaries of the municipalities of Victoria, Saanich, Oak Bay, Esquimalt, Highlands, Metchosin, View Royal ~~and~~ Sidney and Southern Gulf Islands Electoral Area.

(Bylaws 3481, 3616, 4127)

3. **Participating Areas**

- (1) The Township of Esquimalt, District of Highlands, District of Metchosin, District of Oak Bay, District of Saanich, Town of Sidney, City of Victoria, Town of View Royal, and the Southern Gulf Islands Electoral Area are the participating areas for this service.
- (2) In this bylaw, “Group 1 Participating Areas” in each year means the Township of Esquimalt, District of Oak Bay, District of Saanich, City of Victoria, and the Town of View Royal.
- (3) In this bylaw, “Group 2 Participating Areas” in each year means the District of Highlands, District of Metchosin, Town of Sidney and the Southern Gulf Islands Electoral Area.

(Bylaw: 4127)

4. **Cost Recovery**

The annual cost of providing the service shall be recovered by one or more of the following:

- (a) property value taxes imposed in accordance with Division 4.3 of Part 24 of the *Local Government Act*;
- (b) fees and charges that may be imposed under section 797.2 of the *Local Government Act*;
- (c) revenues raised by other means authorized by the *Local Government Act* or another act;

- (d) revenue received by way of agreement, enterprise, gift, grant or otherwise.

5. **Maximum Requisition**

The maximum amount that may be requisitioned under sections 805 and 805.1 of the *Local Government Act* for the annual cost of the service shall be the greater of:

- (a) \$1,980,000; or
- (b) an amount equal to the amount that could be raised by a property value tax of \$0.102 per \$1,000 which, when applied to the net taxable value of land and improvements of the initial Group 1 Participating Areas (Victoria, Saanich, Oak Bay and Esquimalt) within the service area, would yield a maximum amount that may be requisitioned under sections 805 and 805.1(a) for the service.

6. **Apportionment**

- (1) The amount of annual costs recovered by requisition in accordance with Section 4 (a) of this bylaw, shall be apportioned among the Participating Areas by dividing the costs into two equal parts, one part to be apportioned on the basis of population and one part to be apportioned on the basis of assessments and applying the formulae in Section 6 (2) below.

- (2) For the purpose of this section:

- (a) **Group 1 Participants:**

- (i) **Population** is the total population estimate as determined annually by the Regional Planning Services Department of the Capital Regional District, and
    - (ii) **Assessments** are the annual converted value of land and improvements in the Participating Areas.

- (b) **Group 2 Participants** (subject to Section 6 (2)(c) below):

- (i) **Population** is 30 % of the population estimate as determined annually by the Regional Planning Services Department of the Capital Regional District, and
    - (ii) **Assessments** are 30% the converted value of land and improvements in the Participating Areas, or
    - (iii) A greater percentage amount if indicated in writing by a Participating Area.

(c) **Transitional provisions for New and Existing Group 2 Participants:**

- (i) New Participants are subject to 6 (2)(b) above except in the first year of participation their percentage is a minimum of 10% and in their second year of participation their percentage is a minimum of 20%
- (ii) Participants contributing at less than 20% at the date of adoption of this bylaw, must contribute at a minimum percentage of 20% for 2018.

(Bylaw: 4127)

**8.7. Voting**

On a vote of the Board of the Regional District in respect of the amount to be placed in the annual budget with respect to annual grant funding, each director representing a Group 1 Participating Area is entitled to five votes and each director representing any other participating area is entitled to one vote.

**10. 8. Advisory Committee and Operation**

Without limiting the powers of the Regional District under the *Local Government Act*, the Board may establish one or more committees to:

- (a) advise the Board on matters regarding the service; and
- (b) manage the administration and operation of the service.

**11.9. Citation**

This Bylaw may be cited as “**Arts and Culture Support Service Establishment Bylaw No. 1, 2001**”.

READ A FIRST TIME THIS 25<sup>th</sup> day of April 2001.

READ A SECOND TIME THIS 25<sup>th</sup> day of April 2001.

READ A THIRD TIME THIS 25<sup>th</sup> day of April 2001.

APPROVED BY THE INSPECTOR OF MUNICIPALITIES THIS 12<sup>th</sup> day of June 2001.

ADOPTED THIS 27<sup>th</sup> day of June 2001.

Christopher Causton  
CHAIR

Carmen Thiel  
SECRETARY

FILED WITH THE INSPECTOR OF MUNICIPALITIES THIS 3<sup>rd</sup> day of July 2001



Deletions:

3. **Participating Areas:**

- (1) The municipalities of Victoria, Saanich, Oak Bay, Esquimalt, Highlands, Metchosin, View Royal and Sidney are the participating areas for this service.

(Bylaws 3481, 3616)

- (2) In this bylaw, “**Group 1 Participating Areas**” in each year means the municipalities of Victoria, Saanich, Oak Bay, Esquimalt, View Royal and any other participating area that indicates in writing to the Regional District prior to October 31<sup>st</sup> in the prior year that it wishes to fully participate in annual grant funding costs subject to cost sharing under section 7(3)(c) for the service established by this bylaw.

(Bylaws 3616)

6. **Minimum**

Each participant that gives notice under section 7(3) shall contribute a minimum of \$500 annually.

7. **Apportionment**

- (1) In this section the following words and phrases have the following meanings:

- (a) “**class of property**” means class of property as defined in the Prescribed Classes of Property Regulation, B.C. Reg. No. 438/81 or similar enactment as it exists from time to time;
- (b) “**converted assessed value**” for a municipality means the converted value, determined under paragraph 7(2) of:
- (i) the assessed value under the *Assessment Act*, in the previous year, of lands and improvements taxed by the municipality for general municipal purposes in the previous year according to the assessment roll; and
- (ii) the Crown value;
- (c) “**Crown land**” means land and improvements owned by the Crown or an agent of the Crown in a previous year if the municipality received or is due

to receive a grant in lieu of taxes, in respect of the year before the current year;

(d) **“Crown land value”** will be:

- (i) in the case of Crown land other than Crown land owned by the British Columbia Hydro and Power Authority, the lesser of the assessed value under the *Assessment Act* for the previous year and the value which would result in a property tax equal to the grant in lieu of taxes if the land and improvements were not crown land, and
- (ii) in the case of Crown land owned by the British Columbia Hydro and Power Authority, the assessed value under the *Assessment Act* for the year before the previous year, and
- (iii) in the case of Crown Land owned by the Government of Canada or by an agent of the Government of Canada, the value, in the year before the previous year, of land and improvements which would result in a property tax equal to the grant in lieu of taxes if the land and improvements were not Crown land.

(e) **“non-specific grant costs”** means an amount that a participating area has indicated in writing to the Regional District prior to October 31 in any preceding year that it wishes to raise to have available to provide funding to a person or organization through the service established by this bylaw.

(f) **“population”** means the population for each municipality most recently published by the Province of British Columbia, Ministry of Finance and Corporate Relations.

(g) **“specific individual grant costs”** means the amounts which a participating area has indicated in writing to the Regional District that it wishes to raise to provide funding to a specified person or organization through the service established by this bylaw.

(2) For the purpose of this part, the assessed value of land and improvements will be converted by adding together the products obtained by multiplying the assessed value for each class of property by the percentage set out below for the class:

Class of Property	Multiple
1	10 %
2	35 %
3	40 %
4	34 %
5	34 %

6	24.5%
7	30 %
8	10 %
9	10 %

- (3) The amount of the annual costs recovered by requisition in accordance with section 4(a) of this bylaw shall be apportioned among the participating areas as follows:
- (a) Specific individual grant costs shall be apportioned to:
- (i) Group 1 Participating Areas; and
  - (ii) any other participating area where the participant indicated in writing to the Regional District prior to October 31 in the preceding year that it wished to participate in the making of specific individual grants,
- in the amount which each such participating area is deemed to benefit from the assistance.
- (b) Non-specific grant costs shall be apportioned to:
- (i) Group 1 Participating Areas; and
  - (ii) any other participating area where the participant indicated in writing to the Regional District prior to October 31 in the preceding year that it wished to participate in the making of non-specific grants,
- in the amount which each such participating area is deemed to benefit from the assistance.
- (c) Annual grant funding costs shall be apportioned to Group 1 Participating Areas:
- (i) 50% on the basis of the converted assessed value of land and improvements; and
  - (ii) 50% on the basis of population.
- (4) For the purposes of 7(3)(a) and (b), a participating area is deemed to benefit from assistance in the amount that the participant indicated in writing to the Regional District should be requisitioned for specific individual grants or non-specific grants or both.

## 9. Grants in Lieu of Taxes

For the purpose of sections 807(1) to (3) of the Local Government Act, funds paid to the Regional District in respect of the service established by this bylaw will be held to the credit of the participant making the payment.

## Arts Commission's Report

Victoria, BC April 26, 2017

To the Chair and Directors of the Capital Regional District Board:

The Arts Commission reports and recommends as follows:

**1. 17-165 Bylaw 4127: A Bylaw to Amend Bylaw Number 2884, Being "Arts and Culture Support Service Establishment Bylaw No. 1, 2001"**

That Bylaw No. 4127, "Arts and Culture Support Service Establishment Bylaw No. 1, 2001, Amendment Bylaw No. 4, 2017" be introduced and read a first time, a second time and a third time.

*(Background information can be found in the attached staff reports from February 22, 2017, and April 26, 2017. Note that at the April 26 meeting, and as reflected in the amended Appendix A, the Commission added a further clause to Bylaw 4127; namely, section 6(2)(c)(iv), to provide a time-limited withdrawal provision for designated, existing Group 2 participants similar to that provided for new participants in section 6(2)(c)(iii).)*



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**REPORT TO CRD ARTS COMMISSION  
MEETING OF WEDNESDAY, APRIL 26, 2017**

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**SUBJECT**      **Bylaw 4127: A Bylaw to Amend Bylaw Number 2884, Being “Arts and Culture Support Service Establishment Bylaw No. 1, 2001”**

**ISSUE**

An additional amendment to Bylaw 4127 requires review and approval by the Arts Commission.

**BACKGROUND**

At their meeting of February 22, 2017, the Arts Commission recommended approval by the Capital Regional District (CRD) Board of Bylaw 4127, to amend Bylaw 2884, the Arts and Culture Support Service Establishment Bylaw, with the following amendments:

- Rename non-Group 1 participants as “Group 2”.
- Establish the participation level for new Group 2 participants as a minimum 30% of their Group 1 level.
- Provide a means for new Group 2 participants to increase to the minimum 30% level over three years beginning at 10% in their first year and 20% in their second year.
- Provide direction for Group 2 participants currently contributing less than 20% to increase to 20% beginning in 2018.
- Update the assessment calculation methodology for cost sharing, using current CRD standards.
- Add the Southern Gulf Islands as a Group 2 participant per their request.

Prior to the recommendation moving forward to the CRD Board, at their meeting of March 29, 2017, the Arts Commission requested an additional amendment to Bylaw 4127 providing a two-year trial for new Group 2 participants only. The additional amendment has been added as 6 (2)(c)(iii).

**ALTERNATIVES**

*Alternative 1*

That the CRD Arts Commission recommend to the Capital Regional District Board:  
That Bylaw No. 4127, “Arts and Culture Support Service Establishment Bylaw No. 1, 2001, Amendment Bylaw No. 4, 2017” be introduced and read a first time, a second time and a third time.

*Alternative 2*

That the staff report and bylaw be referred back to staff for further information.

**IMPLICATIONS**

The additional amendment to Bylaw 4127 provides a two-year period whereby a new Group 2 participants may withdraw from the service in the first or second year of membership.

**CONCLUSION**

The additional amendment 6 (2)(c)(iii) adds a two year withdrawal provision for new Group 2 participants.

**RECOMMENDATION(S)**

That the CRD Arts Commission recommend to the Capital Regional District Board:

That Bylaw No. 4127, “Arts and Culture Support Service Establishment Bylaw No. 1, 2001, Amendment Bylaw No. 4, 2017” be introduced and read a first time, a second time and a third time.

Submitted by:	James Lam, Manager, Arts Development Service
Concurrence:	Nelson Chan, MBA, CPA, CMA, Chief Financial Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

JL:hh:ngm

Attachment: Appendix A Bylaw 4127



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## **REPORT TO CRD ARTS COMMISSION MEETING OF WEDNESDAY, FEBRUARY 22, 2017**

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**SUBJECT**     **Bylaw 4127: A Bylaw to Amend Bylaw Number 2884, Being “Arts and Culture Support Service Establishment Bylaw No. 1, 2001”**

### **ISSUE**

Amendments effecting changes to non-group 1 participation in the Arts Development Service and adding Southern Gulf islands as a participant.

### **BACKGROUND**

At their May 11, 2016 meeting, the Arts Commission (then Committee), requested staff to provide wording and bylaw amendments that would set the point of entry for non-group 1 participation at a minimum of 10% of a participant's group 1 level and require an increase to 30% within five years. Community engagement around the #BuildingOurArtsFuture arts implementation plan, and a pending request from Southern Gulf Islands to join the Service, has put off the amendment until now.

Bylaw 4127 proposes the following amendments:

- Creates a naming convention for non-group 1 participants as “Group 2”.
- Establishes the participation level for new Group 2 participants as a minimum 30% of their Group 1 level.
- Provides a means for new Group 2 participants to increase to the minimum 30% level over three years beginning at 10% in their first year and 20% in their second year.
- Provides direction for Group 2 participants currently contributing less than 20% to increase to 20% beginning in 2018.
- Updates the assessment calculation methodology for cost sharing, using current CRD standards.
- Adds the Southern Gulf Islands as a Group 2 participant per their request.

### **ALTERNATIVES**

That the CRD Arts Commission recommend:

1. To the CRD Board that Bylaw No. 4127, “Arts and Culture Support Service Establishment Bylaw No. 1, 2001, Amendment Bylaw No. 4, 2017” be introduced and read a first time, a second time and a third time.
2. That the staff report and bylaw be referred back to staff for further information.

### **IMPLICATIONS**

Amendments to Group 2 participation levels will change the minimum contribution required to participate in the service from a voluntary amount to a standard amount based on a formula. The changes establish a minimum of 30% as the required contribution for Group 2 membership with allowances for new and/or current Group 2 participants to reach the 30% level in increments.



**CONCLUSION**

The main purpose of the Bylaw 4127 is to revise the contribution level required for Group 2 participation in the Arts Development Service. The proposed amendments set the Group 2 contribution level at 30% of the Group 1 amount, with options to reach 30% over time.

Updating the assessment cost sharing methodology using the standard Regional District converted assessments will streamline the workflow related to the calculation of municipal contributions, as well as bring it into better alignment with the Local Government Act.

The proposed amendments will also establish “Group 2” as the naming convention for non-group 1 participants.

**RECOMMENDATION(S)**

That the CRD Arts Commission recommend to the CRD Board that Bylaw No. 4127, “Arts and Culture Support Service Establishment Bylaw No. 1, 2001, Amendment Bylaw No. 4, 2017” be introduced and read a first time, a second time and a third time.

Submitted by:	James Lam, Manager, Arts Development Service
Concurrence:	Diana Lokken, CPA, CMA, General Manager, Technology and Initiatives
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

Appendix A: Bylaw No. 4127

Appendix B: Draft Consolidated Bylaw No. 2884