

November 15, 2021

Gareth Mogg
Governance and Structure Branch
Ministry of Municipal Affairs and Housing
PO Box 9839 STN PROV GOVT
Victoria, BC V8W 9T1

Re: Regional District of Nanaimo Governance and Services Study – Electoral Area G

Dear Mr. Mogg:

I am writing to confirm the Regional District of Nanaimo's (RDN's) request for approval of and funding for a Governance and Services Study for Electoral Area G, pursuant to a Board motion dated September 28, 2021.

On June 8, 2021, the RDN Board passed the following resolution:

That staff engage with the Governance and Structure Branch of the Ministry of Municipal Affairs to conduct the preliminary exploration process for a Restructure and Service Delivery Study of Electoral Area G.

On August 3 and September 13, 2021, Ministry staff met with RDN staff to discuss possible options and phased approaches. A report was subsequently provided to the RDN Board outlining the various options and approaches described by Ministry staff. On September 28, 2021, the RDN Board passed the following motion:

It was moved and seconded to proceed with Option 2 to undertake a Governance and Service Study for Electoral Area G.

The RDN appreciates the valuable information and advice the Ministry team has provided in recent meetings. This letter provides additional information to assist the Ministry in assessing this request.

The Context for Critically Evaluating the Governance and Services Structure of Electoral Area G

Electoral Area G includes the communities of Englishman River, San Pareil, French Creek, Little Qualicum, and Dashwood. With a size of approximately 5,073 hectares, the area is bound on the north by the Strait of Georgia and surrounds the City of Parksville and Town of Qualicum Beach. The urban area in Electoral Area G is generally concentrated around French Creek.

Since 2001, there have been several boundary extensions with the last one taking in an area including the Chartwell neighbourhood and the airport, resulting in a portion of Electoral Area G being incorporated into the Town of Qualicum Beach. The population for Area G has grown significantly. Canada's 2016 census estimated the population of this area was 7,465 residents, an increase of 4.3% from 2011¹. This reflects the higher growth rates in the coastal areas of the RDN over the past few years. This high growth trend is expected to continue, and it is anticipated that as many as 12,000 people could reside in Area G by 2026. The average age in Electoral Area G is 54 and the median age is 60 with 83% of dwellings being single detached homes.

The Electoral Area G Official Community Plan review process, undertaken in 2008, revealed that residents share some common community values, including the importance of preserving natural environments, green space and outdoor recreational opportunities, protecting the rural way of life and rural integrity, recognizing and protecting distinct neighbourhoods, with new growth focused in specific and acceptable locations, and promoting sustainable growth rather than rural and urban sprawl. Further, residents value participation in the planning process to create, foster and protect a livable, vibrant region.

While local growth patterns have transformed this electoral area from predominately rural towards a mix of rural areas with denser residential and suburban developed environments, the service mix typically included in denser suburban development designs such as sidewalks, streetlights, and traffic management is not included. Further, public input suggests dissatisfaction with the status quo for service delivery mechanisms in the areas of environmental management, development approvals, wastewater and groundwater treatment, recreation and parks services, transit, road maintenance, policing, and emergency services.

Residents cite a range of concerns relating to ongoing residential development in Area G, such as residential growth exceeding available water supply and the ability to manage sewage and stormwater. Developments are proceeding that rely on groundwater for drinking water and in some areas the aquifers are under stress. Rapid growth along with the absence of professional and commercial services in Area G has increased the demand for public transit, while vehicle traffic continues to grow. Highway access is seen by some residents as insufficient to safely accommodate the increased traffic. Area boundaries are confusing and seem haphazard.

Other concerns raised in correspondence from residents focus on perceived inequities in services, including a "patchwork" of service providers in Area G. In the area of public safety, concerns include levels of policing services in Area G compared to neighbouring municipalities, and a sense that there are variations in emergency response. There is an interest in the difference in services provided in Electoral Area G and in Parksville and Qualicum Beach. Road maintenance is viewed by some residents as being underserved, with insufficient snow removal, ditching, vegetation control, and lighting in critical locations.

¹ RDN Electoral Area Statistics, Statistics Canada

Establishing a Clear Focus for the Review

The RDN is seeking approval and funding to undertake a first phase Governance and Services Study with the objective of comprehensively reviewing the governance and services structure in Electoral Area G. This study, to be conducted by an external consultant, would seek to identify and understand the issues and interests within the community. It is envisioned that this study would deliver a well-articulated base case scenario for citizens and identify community views in terms of possible structural change, including an assessment of the following:

- A detailed assessment of current services including what services are provided, who provides those services, who pays for those services, the decision-making processes and authority for the services
- An assessment of potential future services, other services not currently provided and the authority for those services
- Community input into the establishment and operation of the services
- Challenges, opportunities, and long-term interests of the community with respect to services and governance; authority, responsibility and accountability for the near and long-term goals of Electoral Area G

To ensure diversity, these activities will be informed and supported by a committee of community members, including representatives with a wide range of views and values. Through documentation review, interviews with key stakeholders, and structured engagement sessions with citizens and elected officials, the external consultant team will assess the adequacy and effectiveness of the governance and services arrangements in place and propose recommendations to address identified gaps, including the implications of boundary restructuring as a future possibility.

Establishing the Geographical Extent for the Review

The RDN proposes that the entire geographical area of Electoral Area G be encompassed in the general approach to a Governance and Services Study. Throughout the process, Electoral Area G would engage with First Nations and neighbouring municipalities, specifically Parksville and Qualicum Beach. Depending on the direction of these consultations, considerations for boundary restructuring may arise and a separate boundary analysis may need to be undertaken subsequently to provide a more comprehensive review of the relevant boundaries and densities with a view to their impact on services and cost structure.

Funding and Resource Requirements for a Governance and Services Study

A preliminary survey of other relatively recent Governance and Services studies conducted by local governments in British Columbia indicates that such a study may cost in the range of \$65,000 to \$75,000 for a consultant and for community engagement, in addition to RDN and Ministry staff time and resources. Area G currently has feasibility funds to cover a portion of a Governance and Services Study. A Board direction will be required for their expenditure. We understand the Ministry has a Restructuring

Planning Grant Program designed to provide financial assistance, where deemed appropriate, of up to \$60,000 to review community governance, services and structure.

It is the RDN's understanding that if such a study is approved and funds to support it are granted by the Ministry, the RDN would administer the procurement of a consultant, who would work with the community-based study committee in delivering the report. The RDN would allocate Ministry funding towards consultant fees and anticipates committing Area G feasibility monies in the amount of approximately \$20,000 for additional costs over and above its contribution to the consultant's fees, such as hall rental, community engagement and promotional expenses.

In terms of staff resources, a review of other regional districts that have been involved in similar processes indicates that considerable staff resources will be required to oversee and coordinate a Governance and Services Study. This work would include working with the consultant and the citizen's committee, liaising with the Ministry, drafting fact sheets, creating agendas, conducting research, attending meetings, writing reports, managing aspects of engagement, designing web pages and answering inquiries. RDN staff propose, through the Board's 2023 budget process, to request a temporary staff person in 2023 to carry out the majority of the administrative workload, with other RDN staff available to advise and assist as required. It is certainly acknowledged that such a study would also involve significant Ministry staff resources.

Timelines for Studying the Governance and Services Structure of Electoral Area G

The RDN recognizes the multi-year, multi-phased approach outlined by the Ministry for such reviews. The Electoral Area G Governance and Services Study would be a first step, followed by a boundary analysis if deemed appropriate. Realistically, the timeline will be subject to constraints associated with evolving Covid-19 safety protocols and limitations on options for community engagement, as well as the timing of provincial approval and funding, and the retaining of a suitable consultant.

In addition, it is anticipated that Ministerial approval and resourcing for a phase one Governance and Services Study for the RDN's Electoral Area F may be forthcoming in late 2021. That study may take over a year to complete, given that local government elections taking place in October 2022 will impact the timing of public engagement, and delays related to Covid-19 may be experienced.

While the unique and distinct issues and challenges in Areas F and G support undertaking separate studies tailored to each area's specific needs and vision, recommendations arising from the study process in one electoral area may impact another, particularly if boundaries are ultimately restructured in either or both electoral areas.

In this sense, the timing and sequencing of a Governance and Services Study for Electoral Area G, potentially in 2023, following on the evolving study process for Electoral Area F, must take into account inevitable links and points of connection as solutions are identified.

Thank you for considering this request to fund a Governance and Services study for Electoral Area G. We would certainly be pleased to provide additional clarification if required.

Sincerely,

A handwritten signature in dark ink, appearing to read "Douglas Holmes". The signature is written in a cursive, flowing style.

Douglas Holmes, *BBA, CPA, CA*
Chief Administrative Officer
Regional District of Nanaimo