

FINAL REPORT

Dec 2022

Ministry of Municipal Affairs
University Endowment Lands
Services, Structure and
Governance Study

Final Report
December 2022

Project # 0721.0064.01

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EXECUTIVE SUMMARY

The University Endowment Lands (UEL) is located on the Burrard Peninsula within the territories of the xʷməθkʷəy̓əm (Musqueam) Nation. For over the past century of the land’s post-colonial history, UEL has had various administrative arrangements. Unlike other municipalities and unincorporated communities within regional districts in British Columbia, the UEL is directly administered by the Province through the Ministry of Municipal Affairs (MUNI).

The issue of UEL governance resurfaces from time-to-time due to a number of growing pressures including future development, changing demographics, infrastructure and local service needs, bylaw enforcement, and the local political representation gap. In 2020, the Province initiated the *UEL Services, Structure and Governance Study* (the Study), to review the governance arrangements, service delivery, and administration structures of the UEL. This Study seeks to address the following objectives:

- 1. To clarify the current state of the UEL including service delivery structures;
- 2. To project the future state of the UEL in 30 years in order to anticipate future service needs;
- 3. To identify service delivery gaps;
- 4. To gather perspectives of the community and key interested groups;

- 5. To identify transition implications and inventory what needs to be resolved, prior to any potential shift in service responsibilities in the UEL; and
- 6. To understand the impacts of alternative models of governance.

The information and analysis provided supports the work which MUNI is conducting but does not provide specific recommendations on the future governance of the UEL. This Study will inform the Ministry as part of its review and consideration of future governance pathways for UEL including potentially shifting to a new structure that is not based on the Province’s direct administration.

The study was conducted in five phases which included two rounds of engagement with the public and key stakeholders, e.g., service providers, neighbouring jurisdictions and others. The Province is engaging directly with First Nations with interests in the UEL. Meaningful consultation with Indigenous communities will need to be continued by the Province, as part of any future decision on UEL governance.

PROJECT TIMELINE



Based on the 2021 census, approximately 3,193 people in around 1,500 households live in the UEL, divided between four neighbourhoods. Due to its unique governance structure, local services to UEL residents are provided by a number of agencies, under a variety of arrangements and agreements. A series of public informational pamphlets ("Service Highlights") were developed, to summarize the key facts and responsibilities for the provision of local services on UEL (see [Appendix C](#)).

Based on Metro Vancouver growth projections, the UEL is anticipated to increase in population to an estimated 7,300 people by the year 2050. This is a significant amount of population growth for the UEL based on its current size. The growth in population will likely exacerbate issues the community is currently facing through increased demands for improved levels of service delivery, robust plans and policies, and good decision-making processes.

This Study presents a high-level review of four governance scenarios. The scenarios were selected based on models of governance which exist under the current legislative framework. As noted, the Study does not provide recommendations on which governance structure would be best suited to address the future needs of the UEL. Instead, the Study presents the characteristics of each scenario, along with the potential opportunities and challenges of each.

The analysis found that both the status quo (Provincial) and local service area (Regional) scenarios would not resolve the local representation gap, despite the potential to provide relatively effective local service delivery. Further, the status quo lacks transparency in decision-making and financial matters, would maintain an inappropriate level of involvement of the Province in local matters, and is inequitable as it affords privileges to the UEL which are not provided to other communities. In contrast, the Regional District local service area scenario would concentrate decision-making authority in a model that is more appropriately suited for a rural context rather than the complexity of urban developments and levels of service. While Metro Vancouver has administrative systems in place, they are unlike other regional districts in that they do not currently provide direct local service delivery. Metro Vancouver would likely need additional staff and new departmental structures in order to provide the specific local service functions. Despite being seen as an improvement over the

current status quo, the local service area scenario is likely only an incremental improvement towards good governance for the community. Based on the analysis and rationale provided herein, neither the status quo nor the local service area governance scenarios were considered a best-fit and long-term sustainable governance model for the future of UEL residents and taxpayers. The status quo would continue to have challenges with the political representation gap with respect to local elected officials, as well the efficient delivery of services due to the multitude of inter-jurisdictional service delivery providers. The regional district model improves on this somewhat, but there would still be a number of service providers, and as noted Metro Vancouver is currently not set up to support a number of comprehensive local services for unincorporated areas.

The two municipalization scenarios presented are both applicable as governance models in an urban context throughout British Columbia. Although they have differences in their scale and function, both would improve the local representation gap, be responsive to service delivery needs, provide accountability and transparency in decision-making in support of the community, reduce the involvement of the Provincial government in local matters, and move towards a more clear and equitable governance model. Based on the analysis, the municipalization scenarios could, to varying degrees, effectively address the long-term service and governance needs of the UEL and are worthy of further evaluation.

The report includes a review and analysis of the two municipalization scenarios – inclusion as a neighbourhood within a larger municipality and incorporation as a small municipality in an urban region. The discussion of these scenarios is largely qualitative and from the perspective of service delivery. By reviewing and evaluating each service individually, the Study considered how each of the two municipal governance structures would deliver the various services to the UEL community.

While both municipalization scenarios provide relatively similar governance and decision making structures (i.e. elected mayor and council), the effectiveness and efficiency of individual services will vary based on scope and scale. In order to provide a framework for evaluation, the following characteristics were utilized upon which to measure the potential impact:

- **EASE OF TRANSITION** – compared to the current situation, what is the relative ease to which the service can transition to the new governance model? This could include a number of characteristics, including: physical (moving people, buildings, and equipment), administrative (shifting policies, regulations, and systems) and psychological (transfer of decision-making authority, historical knowledge, and political will).
- **FISCAL EFFICIENCY** – how does the governance scenario compare with the current situation in terms of the most effective use of resources for service delivery? This is not necessarily about a total dollar value savings, but about relative financial efficiency, and can take into consideration economies of scope and scale, effective use of capital and resources, and timely and more streamlined decision-making processes.
- **ACCOUNTABILITY** – compared to the current situation, how strong is the ability for the community to have their input taken into consideration in the decision-making process? How accountable are the elected officials to the electorate, and what is the community's level of influence and authority in the decision-making process for that service?

Given the scope of the study, the evaluation of the two municipalization scenarios is largely qualitative, with quantitative information provided where available. A few general observations can be made regarding this high-level evaluation:

- The **Ease of Transition** is generally higher under the inclusion scenario, as many of the local services are either currently being provided by the City of Vancouver to UEL residents (e.g. fire) or could more easily be extended to include UEL (e.g. police, emergency preparedness, transit) compared to the relative effort of establishing a service delivery model for a new municipality.
- The **Fiscal Efficiency** for a number of critical services (e.g. police, fire, roads) may vary greatly, especially for the incorporation scenario, which will depend on the service delivery model selected. Some services will have relatively high financial impact under incorporation (e.g. roads, policing, fire protection), whereas others will depend on the service delivery model chosen by the newly elected officials. Generally speaking, fiscal efficiency is greater under the inclusion model, as most of the systems are already in existence. However, it should not be assumed that no additional staff would be

required as part of inclusion. The City of Vancouver is also unique in their vertical integration of service delivery which provides efficiencies which can only be achieved at certain scale.

- Although both municipalization scenarios are similar with respect to **Accountability**, it is generally slightly higher under the incorporation scenario, as it stands to reason that a smaller municipal council serving a smaller population could be more responsive to community input and feedback. That said, one of the risks / challenges with the incorporation scenario is garnering enough interest within the local community to entice those to run for elected office or volunteer for the various committees and community advisory groups.
- A number of services will not change under either municipalization scenario and include: regional parks (Pacific Spirit Park), regional hospital, BC Assessment, Municipal Finance Authority, and the Provincial School Tax.
- Some of the more complex municipal services include policing, fire protection, and transportation, which have specific considerations based on population thresholds, contractual requirements, professional service levels, and so forth. Further evaluation and quantitative analysis should be undertaken as part of future consideration of either of the municipalization scenarios.

The report concludes by identifying a series of transitional considerations which the Province may choose to take into account as part of its overall governance review process for UEL. The transitional considerations are organized by topic areas and timeframe (short, medium and long-term). They include areas where additional information and analysis is required (including more quantitative analysis), as well as details on key discussions and agreements that need to occur with the various parties of interest at the time. Some considerations may not be of critical importance at the immediate next stages of the governance review process but have been identified as areas where the opportunity exists to address them in the near term which would improve understanding of the overall impacts of governance change.

While the Study does not include specific recommendations for the future governance of UEL, the high-level evaluation uncovers a number of observations that should be further explored, depending on the direction and next steps coming out of this initiative.

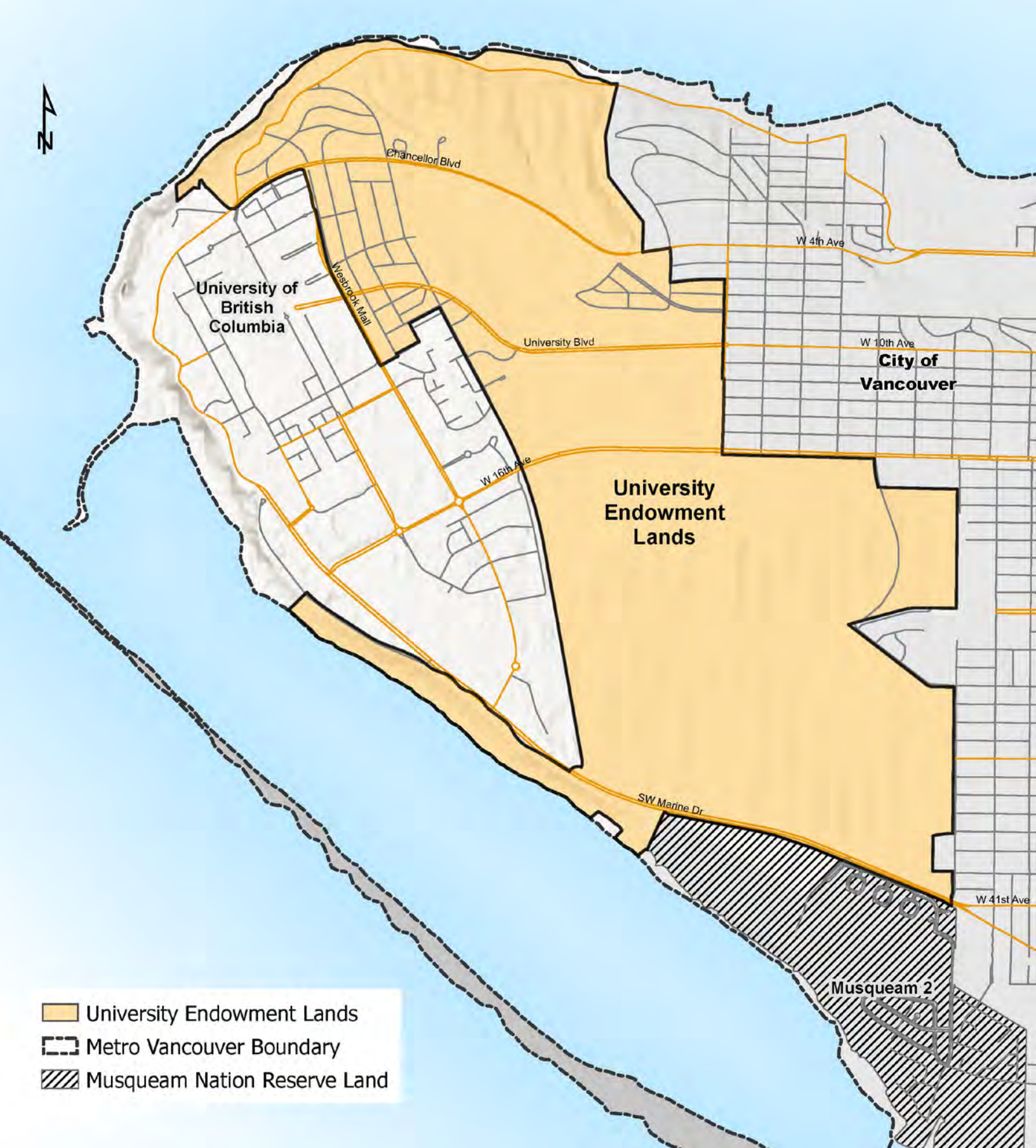


FIGURE 1. UEL LOCATION MAP



1.0 INTRODUCTION

The University Endowment Lands (UEL) are located on approximately 1,200 hectares (2,965 acres) of land on the western portion of the Burrard Peninsula, adjacent to the City of Vancouver, the University of British Columbia (UBC), and Musqueam Nation Reserve #2 (see **Figure 1**). The lands are situated within the territories of xʷməθkʷəy̓əm (Musqueam) Nation. Today, the majority of the lands situated on UEL consist of forested parks and trails (Pacific Spirit Regional Park), with the remainder of the lands being predominately residential areas with relatively high-value properties. UEL is situated within a larger metropolitan region, as part of the unincorporated area within Electoral Area A of the Metro Vancouver Regional District (Metro Vancouver).

UEL holds the unique distinction in that it is the only urban area in British Columbia where local services and regulations are directly administered by the Province of BC, through the Ministry of Municipal Affairs. Throughout the rest of the province, local jurisdiction is managed either by a municipality (currently 162 in the province) or through direct responsibility by one of the 27 respective regional districts (with the exception of the remote Stikine region in northwest BC which remains under provincial jurisdiction).



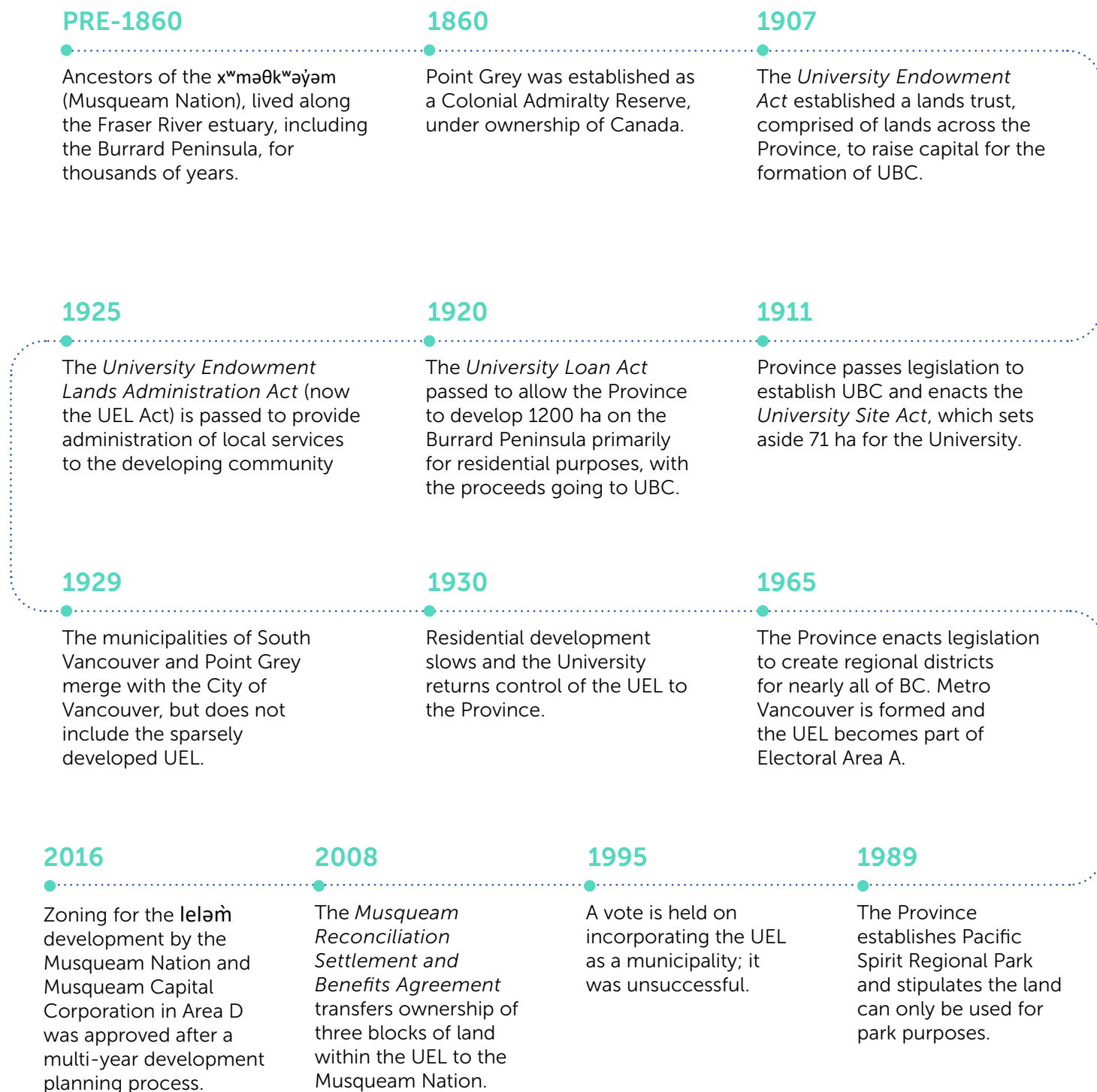
Over the years, the community has been experiencing a growing number of challenges including: population growth and demographic change; increasing development pressures; lack of elected representation and governance; aging infrastructure needs; and other service demands from UEL residents and taxpayers. These issues are further exacerbated due to the multiple agencies providing local service delivery to the community, making it somewhat confusing to local residents as well as challenging for UEL Administration to coordinate the various interests both within UEL and with its neighbouring jurisdictions.

In 2020, Urban Systems was engaged by the Ministry of Municipal Affairs to undertake the *UEL Services, Structure and Governance Study* ("the Study"), in order to facilitate a review and discussion amongst UEL residents and key interested groups to identify potential opportunities to enhance the efficient delivery of services to the UEL community. The Study will help lay the groundwork for the Province to consider potential pathways for the future governance of the UEL, including potentially shifting to a new structure that is not based on the Province's direct administration. While the Study provides important information to assist the Province in considering potential scenarios and future activities, it forms part of a larger governance process which will extend beyond the scope of this Study.

1.1 BACKGROUND AND HISTORY OF THE UEL

The history of post-colonial governance of the UEL stretches back over a century, and is based on the creation of a land trust to raise capital funds for the formation of UBC (see **Figure 2** for a historical timeline of UEL).

FIGURE 2. BACKGROUND HISTORY OF THE UEL



In 1907, through the passing of the *University Endowment Act*, the provincial government set aside approximately two million acres (8,000 km²) of Crown land in the interior of the province, in order to raise funds for the creation of a new university. This led to the adoption of the *British Columbia University Act* in the following year which created UBC, and then the *University Site Act* in 1911 which set aside 175 acres (71 ha) of land in Point Grey for the UBC campus.

By 1920, the Province realized that the market value of the lands in the Interior would not be sufficient, and thus shifted its focus towards developing approximately 2,965 acres (1,200 ha) of Crown land adjacent to the UBC campus for residential purposes, with proceeds going to UBC through the *University Loan Act*. With new residents came the need to provide local services to the growing community, and as such the *University Endowment Lands Administration Act* was established in 1925 (renamed the *University Endowment Land Act* in 1995), which continues to this day. Under this legislation and governance structure, local service provision is overseen by an administrative unit of the provincial government, with all planning and regulatory bylaws prepared by UEL Administration and approved by the Province.¹

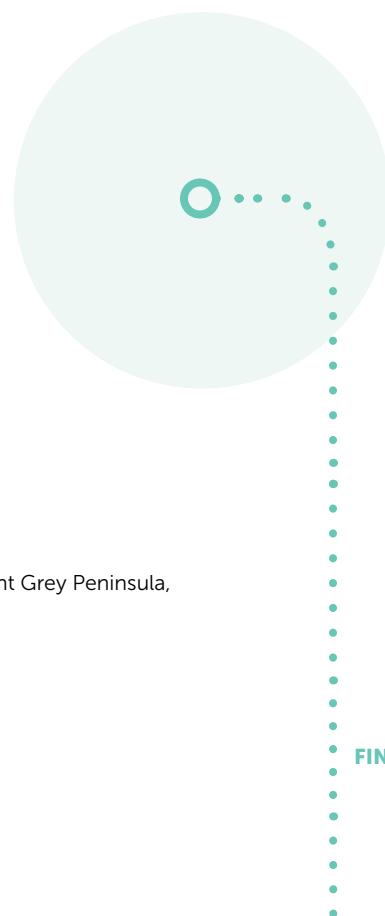
In 1930, due to the economic challenges arising from the Great Depression, the University could no longer afford to undertake development of UEL and returned control of the lands to the Province. In the mid 1960's, the Province enacted legislation to create regional districts, which provide a local governance and service delivery model to nearly all of the unincorporated areas within British Columbia. In 1968, the Greater Vancouver Regional District (now known as Metro Vancouver) was formed, and the unincorporated UEL lands became part of Electoral Area A. However, although UEL residents elect and do receive some local representation from their Electoral Area A Director, the vast majority of local services and regulations continue to be administered by the Province through the *University Endowment Land Act*.

In 1986, provincial responsibility for UEL was transferred from the Ministry responsible for Crown Lands to the now Ministry of Municipal Affairs. Discussions regarding potential governance change surfaced shortly after that. In 1995, a referendum vote was held to incorporate the UEL as a separate municipality, including the neighbouring Hampton Place development within UBC. The referendum vote was unsuccessful, with 599 of 917 (65%) ballots cast against incorporation (based on 33% voter turnout).

In recent years, there have been purposeful efforts made towards cooperation and reconciliation with Musqueam Nation, including the Musqueam Reconciliation Settlement and Benefits Agreement in 2008, which transferred several blocks of lands within the UEL to the Musqueam Nation. One of those blocks, a 21.4 acre (8.7 ha) site in Area D (one of the four UEL neighbourhoods), was rezoned in 2016 to accommodate the *lelərn* development, a mixed-use project anticipated to create an additional 1,250 residential units plus commercial and community space over the next 10 years.

Since the 1995 referendum, the issue of UEL governance has resurfaced from time-to-time due to a number of growing pressures including future development, changing demographics, infrastructure and local service needs, bylaw enforcement, and the locally political representation gap.

1 Cameron, Ken, Strategic Assessment of Governance Arrangements on the Point Grey Peninsula, June 2014



1.2 STUDY PURPOSE AND TIMELINE

Based on the terms of reference established for this project, this Study has six primary objectives:

- Clarifying the current state of the UEL – develop a full understanding of current service delivery structures to clarify current responsibilities for providing services to and by the UEL.
- Projecting the future state of the UEL – assess projections for the state of the UEL in 30 years from now given possible population increase or other considerations in order to anticipate future service needs of the UEL.
- Identifying service delivery gaps – identify opportunities to close UEL service delivery gaps and corresponding representation gaps, which can help the community meet service demands and other interests.
- Gathering perspectives of the community and others through engagement and exploring interests – undertake structured conversations on jurisdiction and services to provide a way for the Province to hear from residents and key interests to better understand issues and perspectives around governance and service provision.
- Assessing transition matters – identify issues and transition implications, and inventory what needs to be resolved, prior to any potential shift in service responsibilities in the UEL.
- Understanding the impacts of change – based on the above inputs, technical analysis, and comparison with similar communities, describe what service delivery and structures might look like under alternative models (e.g. taxes, range of services, and service relationships).

The Study began in 2020 and took place over a two-and-a-half year period (see **Figure 3** for a graphic representation of the project timeline). From March 2020 onward, the COVID-19 pandemic presented a number of challenges to the project, especially the ability to meet with key interested groups and undertake the community engagement process, with all consultation shifting to a virtual format in accordance with public health protocols.

FIGURE 3. PROJECT TIMELINE





1.3 FIRST NATIONS ENGAGEMENT

The UEL lands are situated on the territory of xʷməθkʷəy̓əm (Musqueam) Nation. Musqueam is not only a direct neighbour to the south of the UEL with its Musqueam reserve lands, but the Nation has significant land holdings within UEL boundaries, through its interest in the leləm development and the University Golf Course.

The Province, through the Ministry of Municipal Affairs in conjunction with the Ministry of Indigenous Relations and Reconciliation (MIRR) is responsible for leading the First Nations consultation and engagement efforts, by engaging directly with Musqueam Nation. Meaningful First Nations consultation and engagement will need to be continued by the Province, as part of any future decision on UEL governance.

1.4 COMMUNITY AND STAKEHOLDER ENGAGEMENT

There are a number of key stakeholders, agencies and interested groups who play a variety of roles in relation to service delivery and decision making in the UEL. These include direct service providers, neighbouring jurisdictions, other key agencies, as well as the UEL community at large.

1.4.1 SERVICE PROVIDERS

This Study has gathered valuable insights from various key interested groups throughout the engagement process, and was able to reach most of the key service providers including the following:

- UEL Administration – provides various local services
- Vancouver Fire and Rescue Services (VFRS) – fire protection (contract)
- Metro Vancouver – regional parks, emergency planning, liquor/cannabis regulation
- Ministry of Public Safety and Solicitor General (PSSG) – policing (through the RCMP)
- Ministry of Transportation and Infrastructure (MOTI) – major roads
- Translink / Coast Mountain Bus Company – transit

Through discussion with UEL Administration, the following contracted service providers were identified but not directly engaged as part of this process:

- GFL Environmental – residential recycling through Recycle BC
- Corps of Commissionaires – parking enforcement
- Vancouver Public Library – library services
- Vancouver School Board – public schools
- Various infrastructure contractors – contracted maintenance and minor repairs (e.g. sidewalk repair, electrical services)

1.4.2 NEIGHBOURING JURISDICTIONS

The following neighbouring jurisdictions were also engaged through this Study:

- City of Vancouver
- University of British Columbia
- Metro Vancouver Regional District

A number of virtual meetings and workshops were conducted with staff from each of the neighbouring jurisdictions, as well as the Metro Vancouver Electoral Area A Director, in order to gain a better understanding of their current respective operations and organizational structure, as well as their perspectives on service delivery and governance as it relates to UEL.

1.4.3 OTHER KEY INTERESTED GROUPS AND AGENCIES

In addition to the stakeholders identified above, the following key interested groups and agencies were also engaged through this Study:

- UEL Community Advisory Council (CAC)
- Musqueam Capital Corporation (MCC)
- Ministry of Advanced Education and Skills Training (AEST)
- Ministry of Forests, Lands and Natural Resources (FLNRO)
- Ministry of Indigenous Relations and Reconciliation (MIRR)

1.4.4 PUBLIC ENGAGEMENT

Community engagement was identified as an integral part of this Study, given the historical nature of governance processes throughout the Province. However, shortly after this project began, the COVID-19 pandemic struck across the globe, with restrictions on public gatherings beginning in March 2020 and continuing through the majority of the Study process.

Following all public health protocols and precautions, all consultation and engagement activities for this project switched to a virtual and on-line presence. The main information portal for this Study has been the project website (www.uelgovernance.ca) using the Bang the Table platform. A sample screenshot of the project home screen is provided in **Figure 4** below.

An updated communications and engagement strategy was prepared in order to attract and engage as many community members as possible within the challenges of the virtual setting. Key information was provided on the project website and supplemented by community newsletters. The project website provided updates on the project, and contained all of the project background documents including the community profile, service highlights and Frequently Asked Questions (FAQs), and provided an opportunity for the public to ask questions and to register to stay informed of upcoming events. The project also utilized

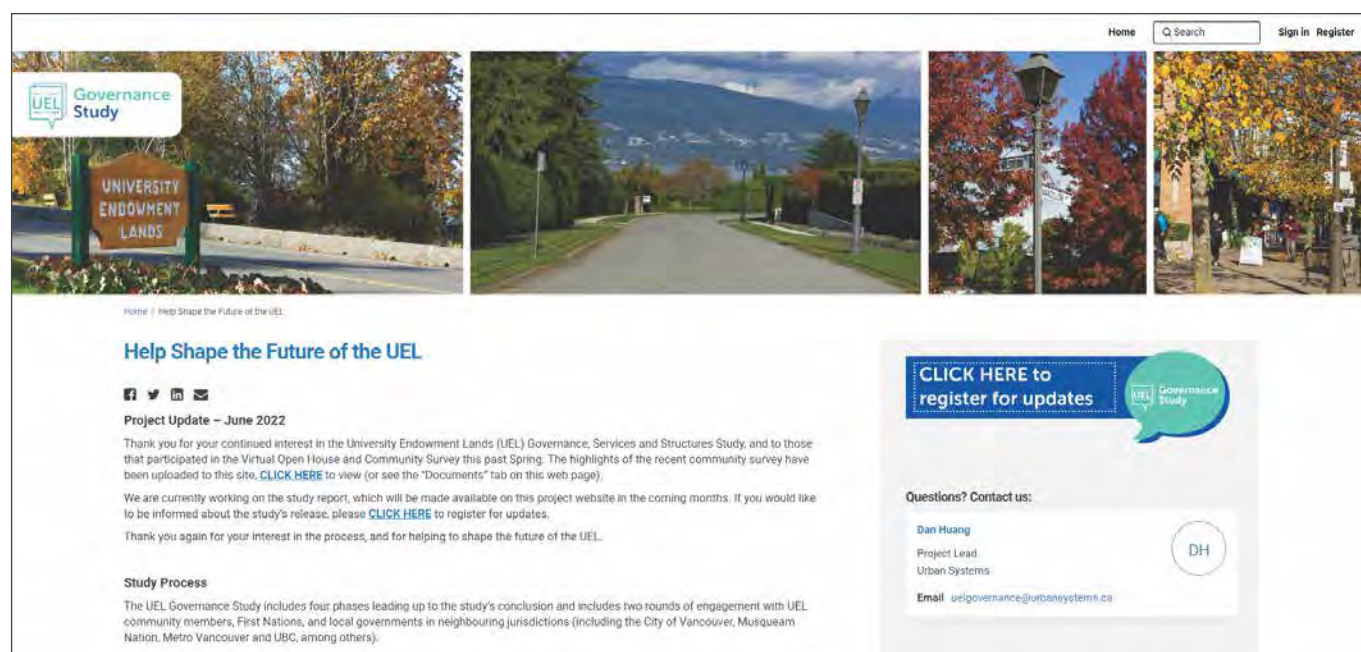
social media to provide regular updates and links to the website, utilizing both Twitter (@uelgovernance) and Facebook (UEL Governance).

In addition, a number of community newsletters were published and delivered to the public, in order to provide updates on the Study and to direct readers to the project website. The community newsletters highlighted the various engagement opportunities including the two rounds of consultation, each with a virtual open house and a community survey.

During the first part of the Study, the consultant worked with the UEL Community Advisory Council (CAC), who provided their perspectives and acted as a conduit to the community. The consultant attended CAC meetings on July 20, 2020 and March 15, 2021 and continued to inform the CAC of engagement opportunities throughout the project duration. However, from the fall of 2021 onwards the CAC did not meet, so it was not possible to coordinate directly with the CAC especially with respect to the second round of community engagement.

Additional information on the public engagement process, including a summary of the input and feedback from the community, is provided in later sections of this report.

FIGURE 4. HOME PAGE FROM UEL GOVERNANCE STUDY WEBSITE





2.0 CURRENT STATE OF THE UEL

The review of the current state of UEL services began with initial background research into previous studies and reports (see [Appendix A](#) for a comprehensive list), analysis of UEL financial information and other data sources (e.g. Statistics Canada, BC Assessment, etc.). In order to provide an updated and accurate description of the community and its current services, a profile of the community and series of service highlights were created, as described in the following sections.

2.1 COMMUNITY PROFILE

As part of the initial phase of this project, a community profile was developed, describing the key community indicators for UEL, including population, demographics and neighbourhood boundaries. It outlines the history of the UEL, the regional context,

and includes a demographic profile of each of the four neighbourhoods, including data on age, household size and income, percentage of owners and renters, and labour force. The information was based on Statistics Canada Census data (both 2021 and 2016 census years), and was further refined with inputs from Environics Analytics and Translink's Regional Transportation Model, due to the fact that the census tract boundaries do not align exactly with the UEL boundary. The Community Profile was prepared in both English and simplified Chinese, with the English version included in [Appendix B](#) of this report.





2.1.1 UEL COMMUNITY – POPULATION AND DEMOGRAPHICS

Based on 2021 Census data, an estimated 3,193 people in approximately 1,500 households live in the UEL, divided between the four neighbourhoods identified in the UEL Official Community Plan (OCP) – Area A, Area B, Area C, and Area D (see **Figure 5** below for a neighbourhood location map).

In addition to the overall population data from the 2021 Census, **Figure 6** on the following page provides further detailed demographic and household information for UEL based on the 2016 Census data, including: median age (28.8), median household income (\$52,000), average household size (2.1), and household tenure (46% owners / 54% renters).² Further to this, the mother tongue of residents of UEL is approximately 38% English and 62% non-English.² Taking all of the data from the Community Profile into account, the overall UEL community is comprised of a young, educated and diverse population, with many new Canadians and students drawn to the area because of its quality of life and proximity to UBC.

² Mother tongue (2016 Census) refers to the first language learned at home in childhood and still understood by the person at the time the data was collected.



-  University Endowment Lands
-  Electoral Area A
-  UEL Neighbourhoods
-  Metro Vancouver Boundary

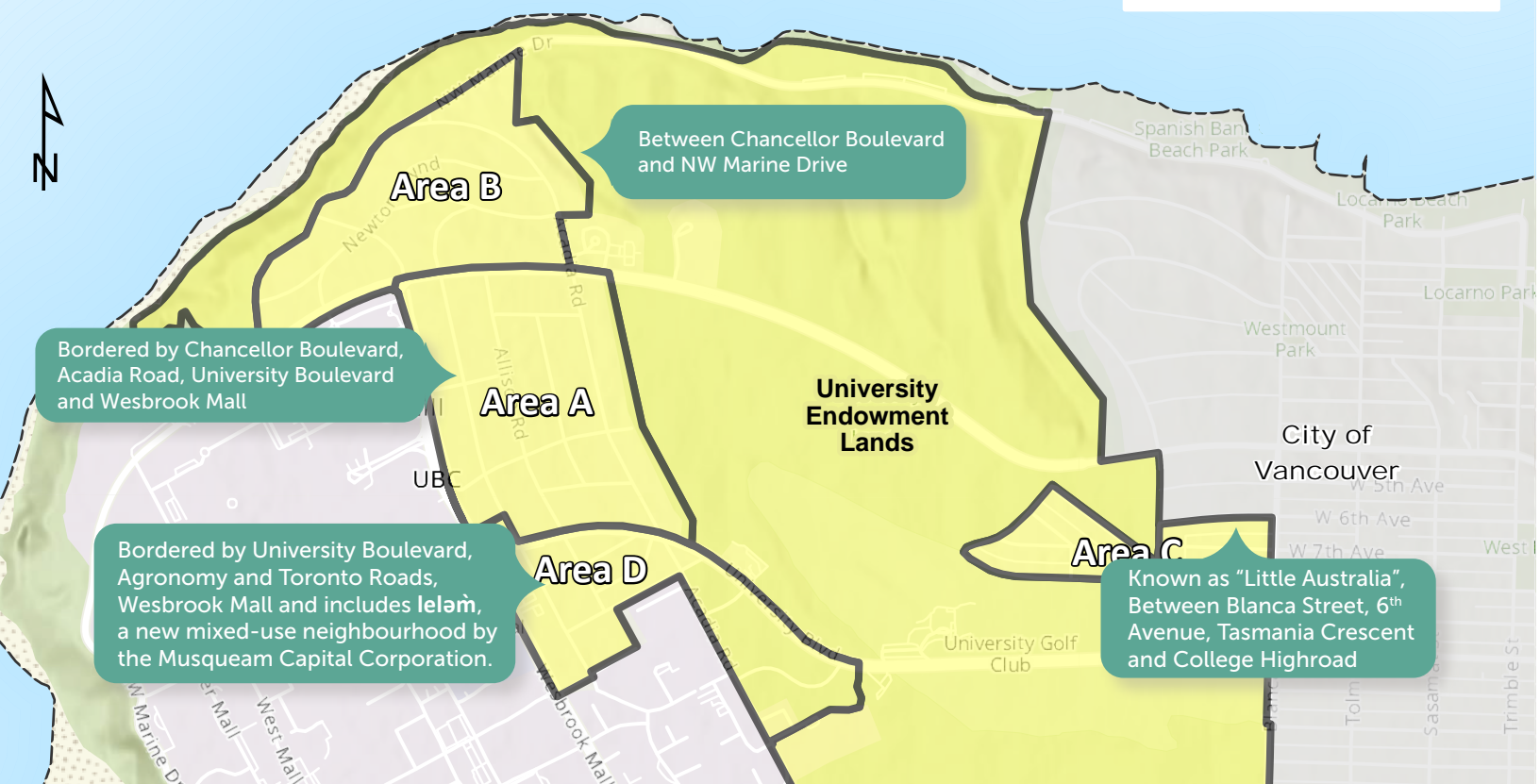


FIGURE 5. UEL NEIGHBOURHOODS

FIGURE 6. UEL DEMOGRAPHIC SUMMARY



Based on Statistics Canada (Census 2016), Environics Analytics, and TransLink's Regional Transportation Model Inputs (2019, June 24. Metro Vancouver).

2.1.2 UEL NEIGHBOURHOODS – POPULATION AND DEMOGRAPHICS

In contrast to the overall demographics of UEL, each of the four neighbourhoods within the UEL vary markedly in their individual demographic compositions, including population, median age, household income and housing tenure. **Table 1** below provides a breakdown of each UEL neighbourhood in comparison with the total demographic characteristics for UEL as a whole, based on 2016 Census data.

TABLE 1. UEL POPULATION AND HOUSEHOLDS (2016 CENSUS)

Neighbourhood	Population	% of Total	Median Age	Total Households	% of Total	Median Household Income	Average Household Size	Housing Tenure (%Owners / % Renters)
Area A	490	15%	31.9	185	12%	\$ 97,000	2.6	65% / 35%
Area B	390	12%	38.6	145	10%	\$ 157,000	2.7	82% / 18%
Area C	340	11%	41.6	120	8%	\$ 128,000	2.8	74% / 26%
Area D	1,950	62%	26.5	1,050	70%	\$ 39,000	1.9	35% / 65%
TOTAL	3,170	100%	28.8	1,500	100%	\$ 52,000	2.1	46% / 54%

Areas A, B and C are primarily single family residential neighbourhoods, with relatively lower population, higher median age, higher median household income, and higher average household size in comparison to Area D. The housing tenure is also geared towards ownership, especially in Area B (82%) and Area C (74%). Area C has the highest median age (41.6) and highest average household size (2.8), with Area B having

the highest median household income (\$157,000). These three neighbourhoods (Area A, B and C) have some of the highest assessed value properties in Metro Vancouver (and the province), which is further described in the section on assessment and taxation.

By contrast, Area D contains the majority of the population (2016 Census) with 61% (1,950 of 3,170) and the majority of households at 70% (1,050 of 1,500). With a mixture of mixed use and higher-density residential dwellings, housing ownership is geared towards rental, with 35% owner / 65% rental. The

median age in Area D is lower at 26.5, as is the median household income (\$39,000) and average household size (1.9). Looking ahead, Area D will see the greatest number of new residents with the recently approved Ielām development (see **Figure 7** below). Over the next 10 years, the Master Plan concept proposes 2,500 new residents in 1,250 homes on the 21.4 acre (8.7 ha) site, with approximately 30,000 sq.ft. of commercial space and a dedicated 15,000 sq.ft. community centre.

FIGURE 7. IELĀM MASTER PLAN CONCEPT (IELĀM LEASE BROCHURE, MARCUS & MILLICHAP)





2.2 ADMINISTRATION AND DECISION MAKING

As previously noted, the *University Endowment Land Act* provides unique powers to the provincial government, who administers UEL through the Ministry of Municipal Affairs. In addition to levying property taxes and enacting bylaws, the legislation enables the Minister to appoint a manager who has delegated responsibilities for the day-to-day administration of the UEL. Although the UEL Manager is solely responsible for decision-making in accordance with approved regulations and policies, the UEL Manager receives advice and input from two advisory groups, based on guidance from the *Official Community Plan, 2005* (as amended) and the *Land Use, Building and Community Administration Bylaw, 1989* (as amended):

- Community Advisory Council (CAC) – established in 2007 from the former UEL Ratepayers Association, the CAC provides input to the UEL Manager on matters that may have a significant effect on the cost, quality or capacity of community services in the UEL. It is comprised of seven members who are elected from the neighbourhood in which they represent.
- Advisory Design Panel (ADP) – established in 2008 from the former Advisory Planning Committee, the ADP is a panel consisting of up to 7 professional members (3 architects, 2 engineers, and 2 landscape architects) as well as up to 8 neighbourhood members (two residents elected from each of the 4 area neighbourhoods). It provides advice and recommendations to the UEL Manager on land use planning and development permit applications.³

Residents of the UEL are entitled to vote for the Electoral Area A Director, who represents all of the unincorporated areas within Metro Vancouver (approximately 818 km²), including the following areas:

TABLE 2. METRO VANCOUVER ELECTORAL AREA A POPULATION BREAKDOWN (2021 CENSUS)

Electoral Area A Community	2021 Population	% of Total
University Endowment Lands (UEL)	3,193	17%
University of British Columbia (UBC)	15,103	81%
Barnston Island	111	1%
Howe Sound communities (includes Passage and Bowyer Islands)	104	1%
Indian Arm / Pitt Lake Communities	101	1%
TOTAL	18,612	100%

From the table above, it is apparent that outside of UEL and UBC (with 17% and 81% of the total population respectively) there is very little population in the rest of Electoral Area A. Also, while it was previously noted that the EA Director has no decision-making authority over local operations and administration within the UEL due to powers under the *University Endowment Land Act*, the EA Director can still be a conduit for those services that are provided by Metro Vancouver as well as be a representative for regional issues (e.g. regional emergency planning, regional sewage treatment and drainage).

³ Province of British Columbia, University Endowment Lands [website], <http://www.universityendowmentlands.gov.bc.ca/administration/ueladmin.htm>



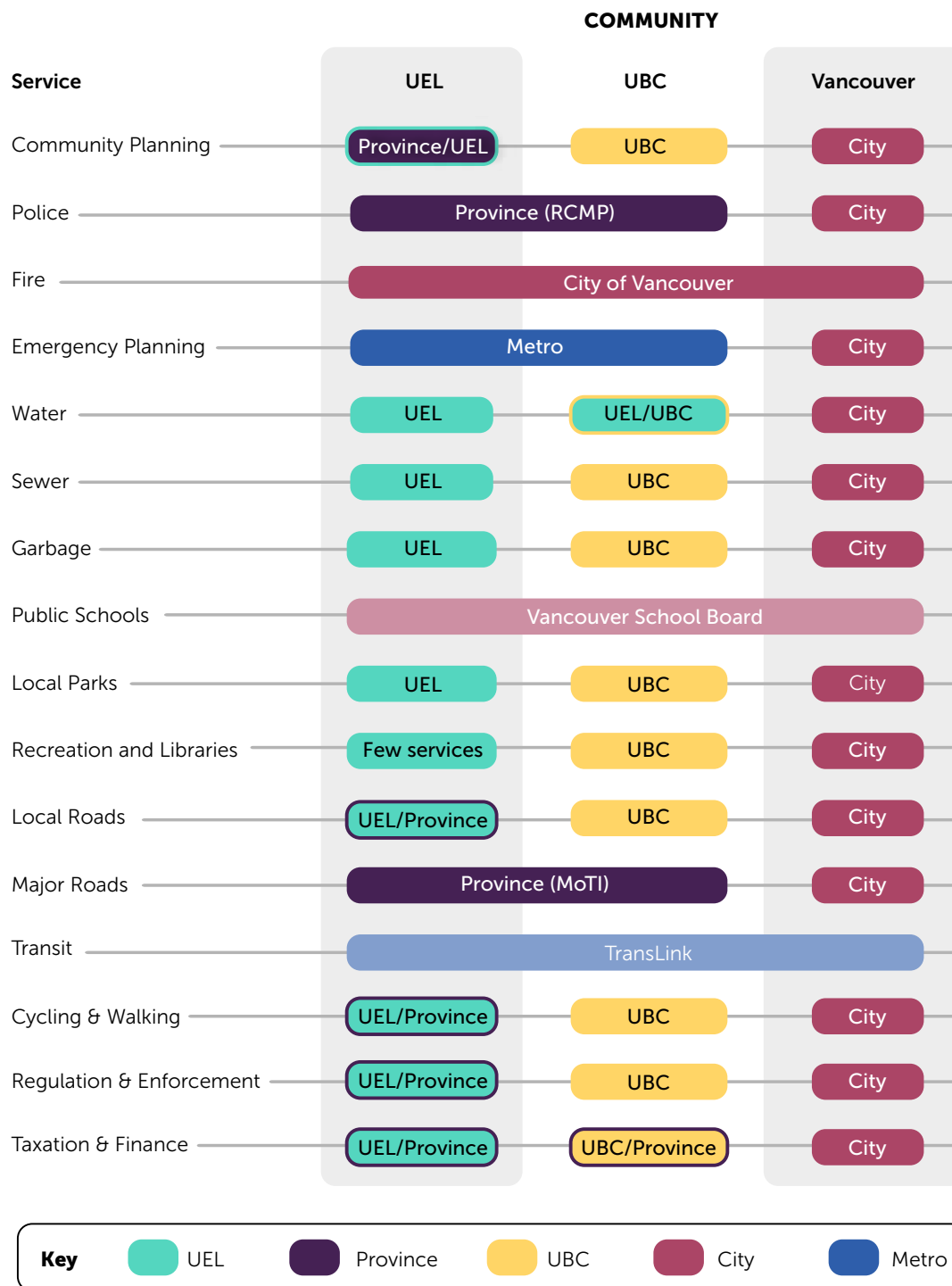
2.3 OVERVIEW OF SERVICE DELIVERY

Based on its current governance structure, local services to UEL residents are provided by a number of agencies and service providers under a variety of arrangement and agreements. This is represented in **Figure 8** on the following page, and is presented in comparison with the service delivery providers for UBC and the City of Vancouver.

In order to provide further information to the community and key interested groups, a series of informational pamphlets (“Service Highlights”) were developed in order to summarize the key facts and responsibilities for the provision of local services on UEL. The information was prepared based on previous UEL fact sheets (from 2017), additional research and analysis, and engagement with both UEL Administration as well as key service providers. For this Study, nine Service Highlights documents were prepared, in both English and Simplified Chinese (see **Appendix C** for copies of the English versions). These were based on the following service categories:

- #1 - General Administration
- #2 – Protective Services
- #3 – Waste Management and Recycling
- #4 – Development Services
- #5 – Roads, Transit and Cycling
- #6 – Park and Recreation
- #7 – Water Services
- #8 – Stormwater Management
- #9 – Sanitary and Combined Sewer

FIGURE 8. SERVICE DELIVERY PROVIDERS



2.4 FINANCIAL REPORTING

As previously noted, UEL Administration operates as a branch of the provincial government, currently through the Ministry of Municipal Affairs. All local property taxes are collected and received by the Provincial Surveyor of Taxes, similar to other unincorporated areas. Within the Ministry of Municipal Affairs budget, there is a statutory appropriation set aside for UEL Administration under authority of the *University Endowment Land Act*. There is an allocation for both operating expenses and capital expenditures which, for fiscal year 2021/22 was \$10.668 million and \$2.285 million respectively.⁴

In British Columbia, all local governments are required to submit an annual financial report to the Province, based on the Ministry of Municipal Affairs Local Government Data Entry (LDGE) system. This annual submission is based on a series of standardized forms which state the local government's financial position and activities, such as assets, liabilities, revenues and expenditures over the course of the previous fiscal year (based on their audited financial statements).⁵

As it is part of the provincial government budgetary framework, UEL's internal budget categories do not align exactly with the LDGE system, and therefore it was not possible to prepare a direct "apples to apples" financial comparison between UEL and other local governments. For example, while UEL Administration does separate its water revenues and expenditures out, the remaining infrastructure categories were combined into "other public works", which includes sanitary sewer, stormwater management, and local roads. These items normally would have been broken out separately within the LDGE reporting system. As such, this made it difficult to make direct financial comparisons with other similar local governments for those utilities (e.g. operating costs per capita, sewer costs per metre of pipe, road costs per kilometre, etc.). Moreover, some of the UEL's capital expenditures were combined together with the annual operating expenditures, rather than identify a separate capital works program for each infrastructure category. Therefore, a detailed comparative financial analysis was outside the scope of this Study.

That said, in order to provide an initial assessment of the financial state of UEL, several service categories have been grouped together as similar as possible to LDGE groupings, in order to provide a high-level understanding of current revenues and expenditures. The methodology is as follows:

- **Revenues** are based on the 2019/20 budget provided by the UEL and were grouped into broad revenue categories. A summary of 2021 average taxation and land value by land use type is also calculated, based on sample properties of information available.
- **Expenditures** are based on the 2019/20 actual spending details and have been grouped into several service categories. As noted, separating out local roads, water, sewer and stormwater categories (except for water purchase/sales) was not possible. These service categories have been grouped into a single category under "Other Public Works".

Each expenditure category includes a portion of overall salaries, wages and benefits. This is a proportion calculated by the Full-Time Equivalents (FTE) for each position and service category, as provided by UEL Administration.

This summary provides a snapshot in time of the 2019/2020 provincial fiscal cycle (April 1, 2019 to March 31, 2020) rather than an average over several years, given the information that was available at the time for this Study. Moreover, it is acknowledged that a portion of capital expenditures are incorporated within the annual operating budget, with other specific capital projects being amortized (this is described in further detail on the following page).

⁴ Province of BC Estimates, Fiscal Year Ending March 31, 2022

⁵ Province of BC, Local Government Financial Reporting Forms [website], <https://www2.gov.bc.ca/gov/content/governments/local-governments/finance/financial-reporting/financial-reporting-forms>

2.4.1 EXPENDITURES SUMMARY

As previously noted, the annual budget for the UEL is identified as a line item in the overall budget for the Ministry of Municipal Affairs, which for 2019/2020 was approximately \$10.66 million. This amount covers all of the expenditures that flow through UEL Administration, either through direct delivery of services or via contract with external service providers. It does not include services such as major roads (provided by the Ministry of Transportation and Infrastructure), policing (provided by the RCMP under contract), transit (provided by Translink) or regional government services (provided by Metro Vancouver).

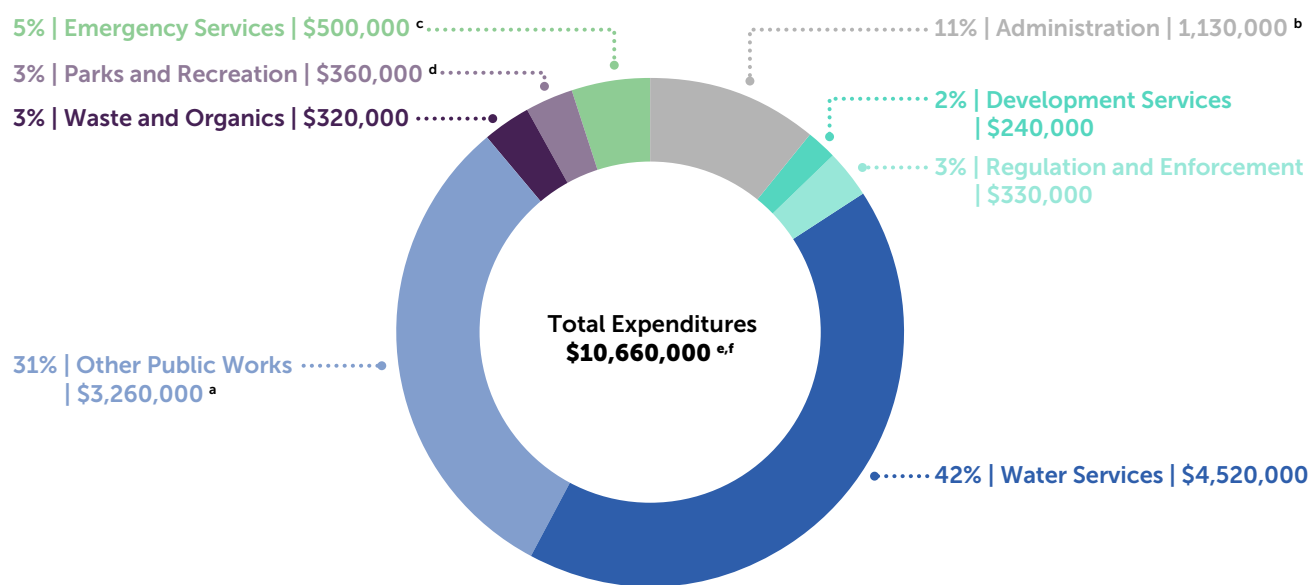
For the 2019/2020 fiscal year, the summary of operating expenditures is provided in **Figure 9**, and is grouped by general service categories for discussion purposes. Salaries and benefits (total = approximately \$1.55 million) were apportioned across each of the expenditure categories, based on the approximate proportion of each FTE employee working in each respective category. UEL Administration provided an estimated breakdown of FTE staff by general

service category. As a reminder, this is a generalized delineation of staff resources by service category, as UEL does not have formalized departments like other traditional local governments.

Based on the information provided, in 2019/2020 there were approximately 20.5 FTE staff operating from the UEL Administration office, in the following categories:

• Administration, Finance, Corporate Services	5.6 FTE (27%)
• Development Services	1.7 FTE (8%)
• Regulation and Enforcement	3.7 FTE (18%)
• Water Services	2.25 FTE (11%)
• Other Public Works	1.75 FTE (9%)
• Curbside Waste and Organics	2.3 FTE (11%)
• Parks and Recreation	3.2 FTE (16%)
• Emergency Services	0 FTE (0%)

FIGURE 9. SUMMARY OF OPERATING EXPENDITURES, 2019/20 FISCAL YEAR



Notes:

- Includes utilities (hydro, electrical etc.)
- Includes minor capital, amortization, recoveries and transfers
- Includes contract with Vancouver Fire and Rescue Service
- Includes contribution to Vancouver Public Library
- Police funded through Police Tax (not shown)
- Major Roads funded through Provincial rural property tax (not shown)

Water and Other Public Works comprises the majority of UEL expenditures at 73%, of which 42% of total expenditures is for water. Currently as part of the Water Services expenditures, UEL purchases water in bulk from Metro Vancouver (with a 20% markup, as UEL is not a member of the Greater Vancouver Water District) and provides it to UEL residents at a metered rate. UEL also provides bulk water service to UBC (with an administration markup for cost recovery).

Aside from Water and Other Public Works, UEL General Administration comprises 11% of the total expenditures at \$1.13 million, followed by Emergency Services at 5% or approximately \$500,000. The latter expenditure is entirely for contracted services, including \$420,000 to the City of Vancouver Fire and Rescue Services (shared cost with UBC based on a formula), and approximately \$80,000 to the Metro Vancouver for emergency management. Other contract expenditures include \$27,400 to the Vancouver Public Library and approximately \$490,000 towards a variety of maintenance contractors (e.g. tree maintenance, building maintenance, janitorial).

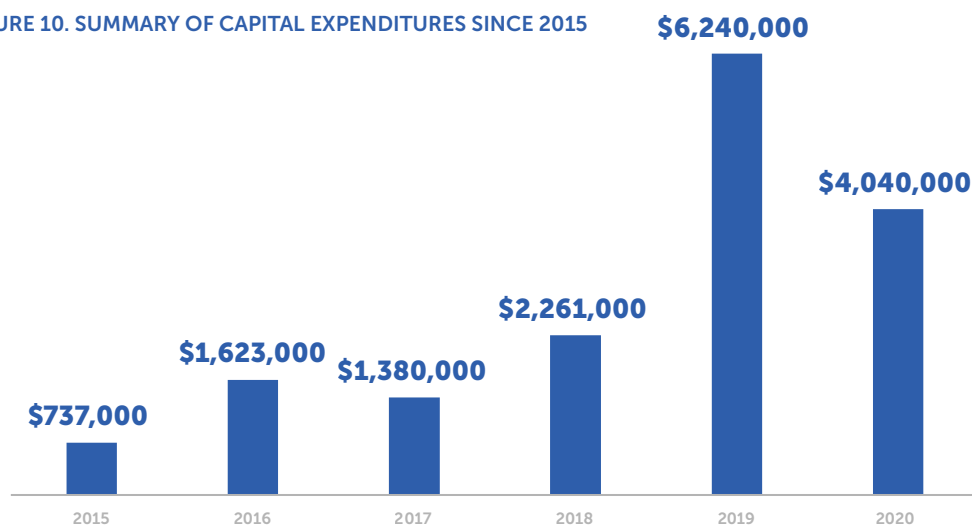
Within the actual expenditures includes a portion of the funding that is allocated towards local capital projects in the UEL – namely water, sanitary sewer, stormwater and local roads. UEL has assumed a small amount of capital maintenance responsibility for local roads, even though technically it is a MOTI responsibility. This method of financial recording is unique compared to other local governments who would have separate budgets and accounts for operating and capital funding, making it challenging

to perform direct financial comparisons between UEL and other municipalities.

Figure 10 provides a graphic summary of the capital expenditures undertaken by UEL Administration annually since 2015. For the 2015 to 2018 fiscal years, the capital expenditures were recorded at face value, and funded through annual budgetary allocations in their respective years. However, in the 2019/2020 and 2020/2021 fiscal years, two major capital projects – Acadia underground utilities and Westbrook Road (Phase 1 and 2) – were funded through internal amortization from the Province. This is a unique financing approach through the Treasury Board, which amortizes the capital works based on how long the infrastructure lasts (e.g. 30 years) at 0% interest, and is the amount that appears in the UEL Capital Expenditures line item within the BC Government Estimates.

From a long-term financing perspective, UEL is different from other local governments in British Columbia who are able borrow funds for capital projects through the Municipal Finance Authority (MFA), with a specific revenue stream (e.g. parcel tax) to repay the debenture. In order for UEL to pay down its internal amortization, it needs to budget for a certain amount of excess revenues over expenditures in any given fiscal year, with the surplus going towards the capital repayment of the amortization expenditure. It is assumed that this amount would represent a financial liability in the event of a potential change to the governance structure at UEL.

FIGURE 10. SUMMARY OF CAPITAL EXPENDITURES SINCE 2015



Note: Two major capital projects – Acadia underground utility upgrade (2019/20) and Westbrook Road Phase 1 (2019/20) and Phase 2 (2020/21) were financed through internal amortization (since borrowing through the Municipal Finance Authority is not permitted).

2.4.2 REVENUE SUMMARY

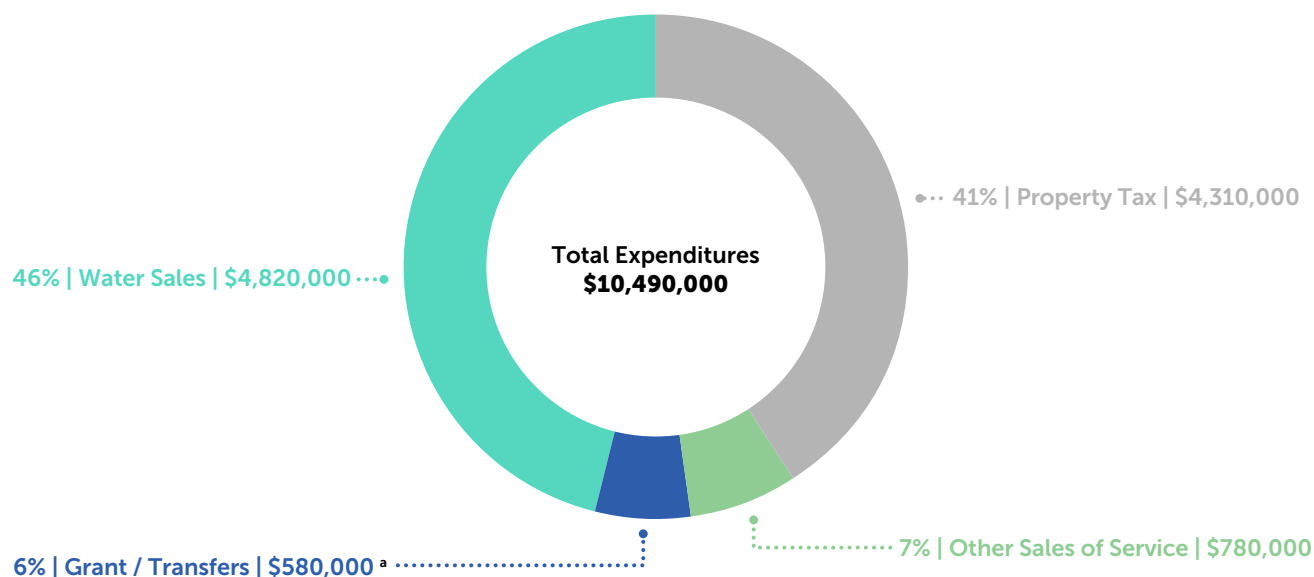
Annual revenues for UEL operations for the 2019/2020 fiscal year were approximately \$10.5 million. As shown in **Figure 11** below, the bulk of revenues came from water sales at \$4.82 million, which includes bulk water sales to UBC and water utility revenues from UEL residents and businesses. Property taxation revenue was approximately \$4.31 million, which funded the majority of core UEL local services and administration. The remainder of revenues came from other sales of service at \$780,000 and grants/transfers at \$580,000.

While UEL may be similar to other local governments in British Columbia in that it cannot run an annual deficit, one significant difference is that UEL has no means of retaining surplus operating revenues in a general capital reserve account. Most local governments will transfer any annual operating surpluses into a capital reserve account (e.g. water, sewer, roads, drainage, buildings, parks, fleet). The capital reserves become an integral part of an overall asset management program, and help fund the replacement or refurbishment of a community's aging infrastructure over its lifecycle. Without this capital reserve account, UEL may have to approach Treasury Board for additional funds should an emergency capital replacement be required which falls outside UEL's annual operating budget.

In addition to general capital reserves, many local governments (especially those with high growth) will also collect development cost charges (DCCs) from developers in order to fund future capital upgrades to infrastructure due to growth. These collected DCCs are held in statutory DCC reserve accounts until required for the capital expenditure. Since UEL has no means to collect DCC revenues from future development, infrastructure capital upgrades must be identified and negotiated up-front with each individual developer as part of the rezoning and development permit process. In the case of a large development (e.g. **lelām**) the upfront costs may be significant, and the initial developer may be installing works that may benefit other developers, without receiving any DCC credits or reimbursement for the installed works. This is not equitable for the initial developer, who must up-front all of the capital works without sharing the costs amongst other developers.

For the 2019/2020 fiscal year, the actual expenditures was approximately \$10.66 million. This is offset by the revenues as shown in **Figure 11** which were projected to be approximately \$10.49 million. It is assumed that the difference between the UEL revenue and expenditure line items would have been made up through an internal transfer within the overall Ministry budget, in order to reconcile the values at fiscal year end.

FIGURE 11. SUMMARY OF REVENUES FOR 2019/2020 FISCAL YEAR



Notes:

a. Includes transfers to the GRE (Government Reporting Entity) and deferred revenues

2.5 ASSESSMENT BASE AND PROPERTY TAXATION

For all local governments in British Columbia, and including UEL, property taxation calculations are based on the assessment base within each local jurisdiction. The BC Assessment Authority (an independent, provincial Crown corporation) evaluates every property in the province, providing a gross and net assessed value of land and improvements for each parcel, using the following nine property classes:

- Class 1 – Residential
- Class 2 – Utilities
- Class 3 – Supportive Housing
- Class 4 – Major Industry
- Class 5 – Light Industry
- Class 6 – Business / Other
- Class 7 – Managed Forest Land
- Class 8 – Recreation Property, Non-Profit Organization
- Class 9 – Farm

The following sections provide further information on which of these classes are represented in the UEL and their contributions to property tax revenues.

2.5.1 TOTAL AND NET TAXABLE ASSESSMENT

The assessment roll is provided for each community at the beginning of January, based on the market values of properties as of the previous July 1st. This assessment roll is used by local governments and the UEL to determine the applicable property tax rates to levy in order to raise the required property tax revenues to support its operations for the coming fiscal year.

Table 3 below provides a detailed breakdown of the Total and Net Taxable Assessment in UEL by property class. In 2021, the Total Assessed Value of the land and improvements in the UEL was approximately \$6.30 billion, with approximately \$3.94 billion being Net Taxable (i.e. approximately \$2.36 billion of assessed value is exempt from property taxation). Residential property (Class 1) makes up approximately 97% of the total net taxable assessed value (at \$3.8 billion of the \$3.94 billion total) with Business and Other (Class 6) comprising 2.9%, and Utilities and Rec/Non-Profit (Class 8) completing the remaining net taxable assessment at under 0.5%. While there are other local governments in British Columbia with such a high ratio of residential property assessment compared to the other classes, UEL is amongst the highest community weighted towards residential development, in terms of both percentage and actual assessed values.

TABLE 3. TOTAL NET TAXABLE ASSESSMENT (2021) IN \$ MILLIONS

Class	Count	Land (millions)	Improvements (millions)	Total Assessment (millions)	Exempt (millions)	Total Net Taxable (millions)
1 - Residential	1190	\$ 3,092.8	\$ 722.2	\$ 3,815.0	\$ 8.3	\$ 3,806.6
2 - Utilities	7	\$ 6.3	\$ 4.5	\$ 10.9	\$ 8.5	\$ 2.3
6 - Business and Other	40	\$ 442.3	\$ 70.0	\$ 512.4	\$ 397.5	\$ 114.9
8 - Rec / Non-Profit	9	\$ 1,965.5	\$ 0.9	\$ 1,966.4	\$ 1,949.9	\$ 16.5
TOTAL	1246	\$ 5,507.0	\$ 797.6	\$ 6,304.7	\$ 2,364.2	\$ 3,940.4

2.5.2 PROPERTY TAX RATES AND MULTIPLIERS

Based on the amount of revenue required from property taxation and the net taxable assessment, a property taxation rate (also known as the “mill rate”) is determined for each applicable property class. The tax rate is levied as a rate per \$1,000 of net taxable assessment and is generally established based on the Class 1 (residential) category, with the other tax rates determined as a “multiplier” of the Class 1 rate. For all unincorporated areas, including UEL, the tax rate multipliers are a fixed ratio set by the provincial government, based on **Table 4**. For example, Class 6 – Business and Other has a fixed multiplier of 2.45, and both Major Industry (Class 4) and Light Industry (Class 5) have a fixed multiplier of 3.4. Therefore, if the Class 1 (residential) tax rate is determined to be \$1.120 per thousand, then the Class 6 (business/other) tax rate is \$2.744 / \$1,000 and the Class 4 and 5 tax rates are \$3.808 / \$1,000 assessment.

A significant difference between an unincorporated area such as UEL and a municipality is that, since the early 1980s, municipalities have been able to levy variable tax multipliers for all property classes (with some limitations). Variable tax rate systems allow each municipality to determine and select their own tax policy objectives (e.g. stability, equity, promotion of business, etc.) **Table 5** below provides the 2021 tax rate multipliers for a few sample municipalities, in relation to Class 1 – residential which is set at 1.0.

For example, the City of White Rock (small municipality within a larger region) has a Class 6 multiplier of 1.72, whereas the District of West Vancouver (similar community makeup to UEL although with a larger population base) is 1.94, and for the City Revelstoke (similar population to UEL in 2050) the Class 6 multiplier is 5.29. For Class 2, the tax rate multiplier is much more pronounced – 6.18 in White Rock, 6.34 in West Vancouver and 14.65 in Revelstoke. This is all dependent on the net taxable assessment by property class in each community, the amount of revenue required to be raised and the tax policy objectives established by each municipality – all of which are fiscal policy decisions by each individual municipal council.

TABLE 4. TAX RATE MULTIPLIERS FOR UNINCORPORATED AREAS

Class	Description	Multiplier
01	Residential	1.0
02	Utilities	3.5
03	Supportive Housing	1.0
04	Major Industry	3.4
05	Light Industry	3.4
06	Business / Other	2.45
07	Managed Forest Land	3.0
08	Recreational Property / Non-Profit Organization	1.0
09	Farm	1.0

TABLE 5. MUNICIPAL TAX RATE MULTIPLIERS (2021) IN SAMPLE COMMUNITIES

Class	Description	White Rock	West Vancouver	Revelstoke
01	Residential	1.0	1.0	1.0
02	Utilities	6.18	6.34	14.65
03	Supportive Housing	N/A	N/A	1.00
04	Major Industry	N/A	12.67	14.33
05	Light Industry	1.72	N/A	7.53
06	Business / Other	1.72	1.94	5.29
07	Managed Forest Land	N/A	N/A	5.29
08	Recreational Property / Non-Profit Organization	0.68	2.11	3.04
09	Farm	N/A	N/A	6.26

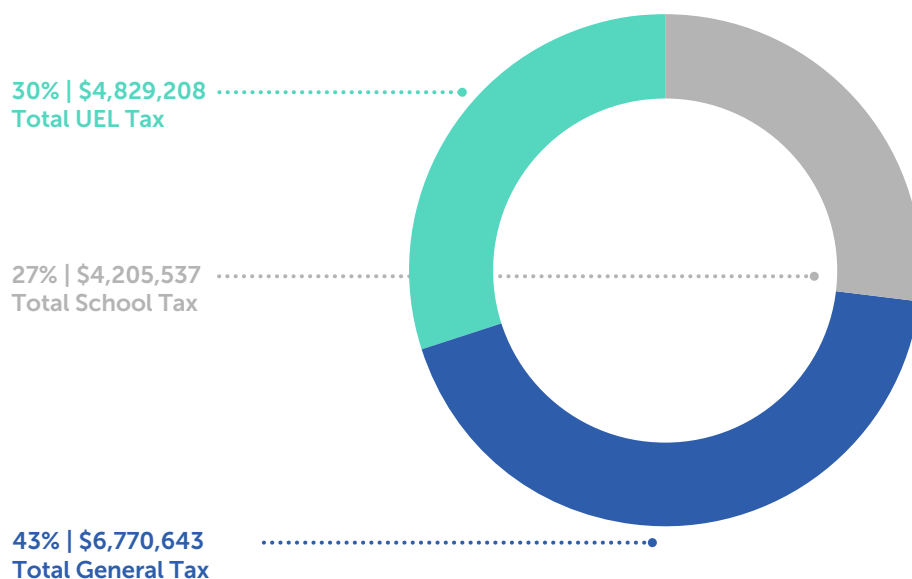
Table 6 below calculates the amount of property taxes (for 2021) by property class, based on the fixed multipliers set by the Province. In order to generate the approximately \$4.83 million in property tax revenue, approximately 93% would come from Class 1 – Residential property assessment, with the remaining 7% coming from Class 6 – Business and Other assessment. Utilities (Class 2) and Recreation / Non-Profit (Class 8) contribute a very nominal amount.

TABLE 6. UEL PROPERTY TAX REVENUES BASED ON 2021 TAX RATE AND NET TAXABLE ASSESSED VALUES

Class	Total Net Taxable (millions)	Tax Rate / \$1,000	Property Taxes (2021)	% of Total
1 - Residential	\$ 3,806.6	1.17415	\$ 4,469,519	93%
2 - Utilities	\$ 2.3	4.10952	\$ 9,452	0%
6 - Business and Other	\$ 114.9	2.87667	\$ 330,529	7%
8 - Rec / Non-Profit	\$ 16.5	1.17415	\$ 19,373	0%
		TOTAL	\$ 4,828,874	

In addition to property taxes for UEL Administration services, UEL property owners pay additional property taxes for all other local services. Based on the 2021 tax rates and net taxable values, approximately \$15.8 million in property taxes is estimated to be collected from UEL property owners. Of that total amount, approximately \$4.8 million (30%) is for UEL Administration, \$4.2 million (27%) is for the school tax, and \$6.7 million (43%) is for other services including Metro Vancouver Regional District, Translink, Police, BC Assessment and Municipal Finance Authority (see **Figure 12**).

FIGURE 12. TOTAL PROPERTY TAXATION REVENUE BREAKDOWN



2.5.3 AVERAGE PROPERTY TAX ON A UEL PROPERTY

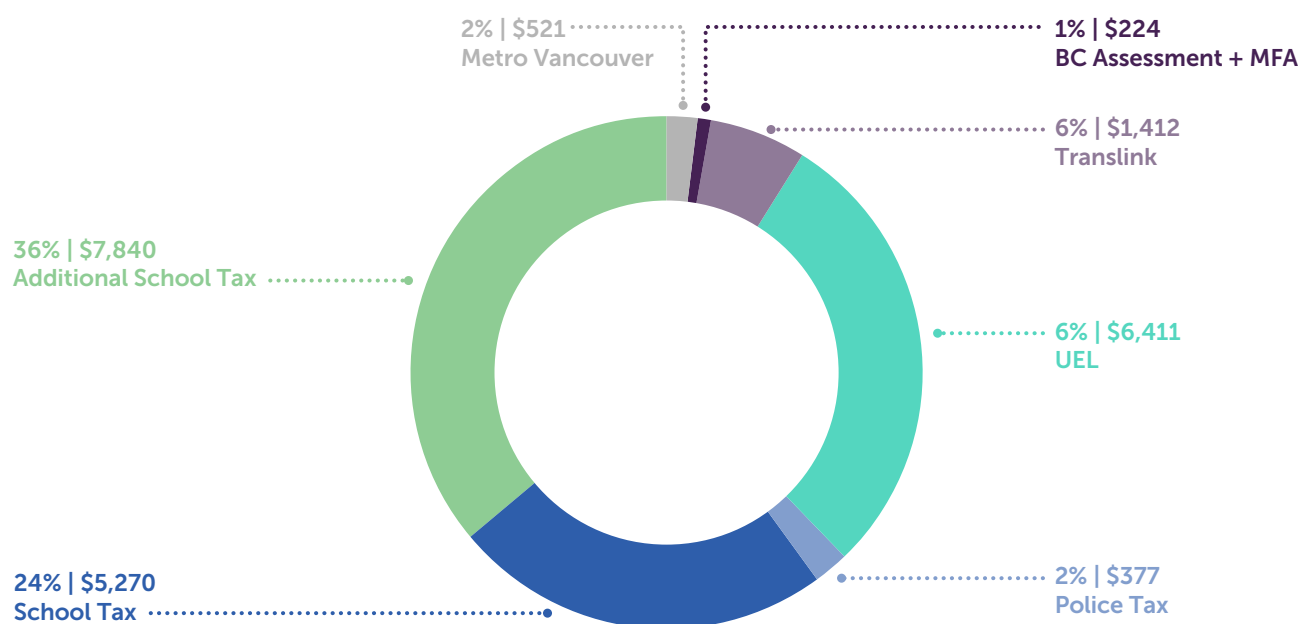
The average property tax by land use was estimated based on the average net taxable value of each property type (from the BC Assessment of both land and improvements) and the property tax rates from the Provincial Surveyor of Taxes.

For the 411 single family properties in UEL, the average assessed value in 2021 was \$5.46 million (the highest average in the Province), resulting in an average total property tax estimated at \$22,055. In addition to the standard property tax components (UEL, Metro Vancouver, BC Assessment, MFA, Translink, Police Tax and School Tax), high value residential properties (above \$3 million) also pay an additional school tax. This is levied at 0.2% on assessment between \$3 million and \$4 million, and 0.4% for assessments that are greater than \$4 million. In the case of the average \$5.46 million single family home in UEL, the

additional school tax levy would be \$7,840 (\$2,000 for the amount between \$3 million and \$4 million, plus \$5,840 on the value above \$4 million). The property tax breakdown is shown graphically in **Figure 13** below, as follows:

• Metro Vancouver	\$521 (2%)
• BC Assessment and Municipal Finance Authority	\$224 (1%)
• Translink	\$1,412 (6%)
• University Endowment Land Administration	\$6,411 (29%)
• Police Tax	\$377 (2%)
• School Tax	\$5,270 (24%)
• Additional School Tax	\$7,840 (36%)

FIGURE 13. UEL 2021 AVERAGE SINGLE-FAMILY PROPERTY TAX



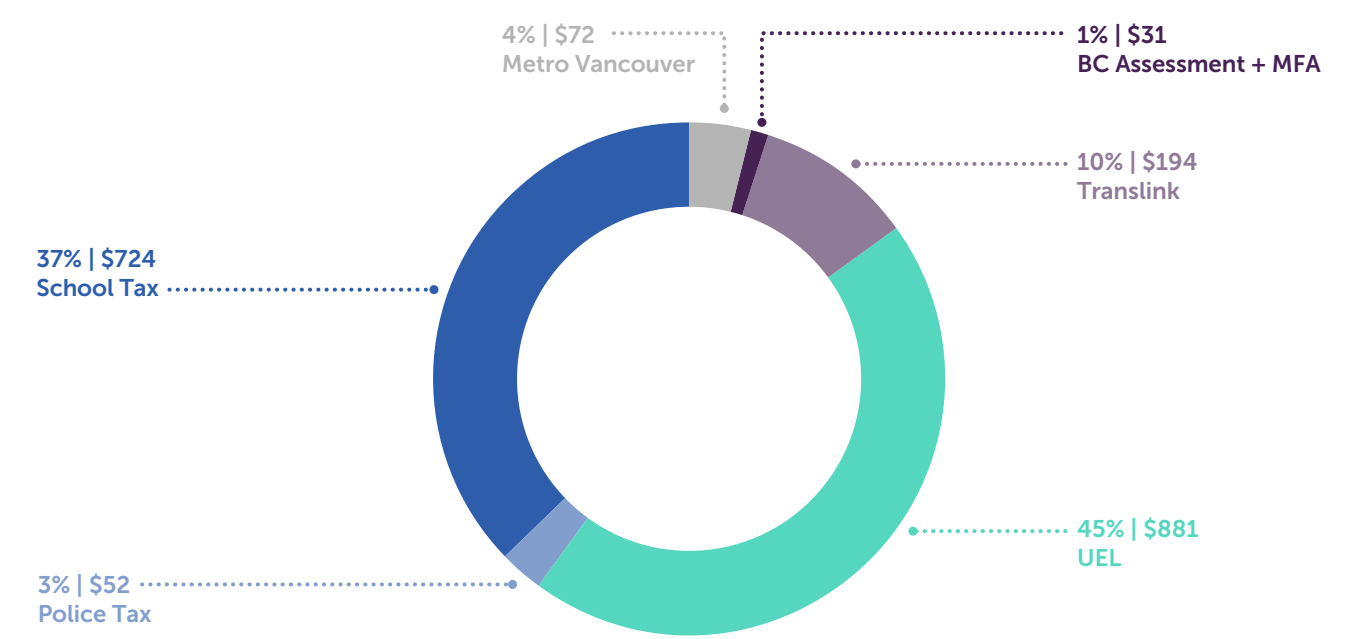
For UEL multi-family properties (722 total), the average assessed value in 2021 was \$0.75 million, resulting in an average total property tax estimated at \$1,954. The property tax breakdown for an average multi-family property is shown graphically in **Figure 14** below, as follows:

• Metro Vancouver	\$72 (4%)
• BC Assessment and Municipal Finance Authority (MFA)	\$31 (1%)
• Translink	\$194 (10%)
• University Endowment Lands	\$881 (45%)
• Police Tax	\$52 (3%)
• School Tax	\$724 (37%)

The remaining land uses were calculated to have average assessed values and average property taxes as follows:

- Commercial property assessed value of \$12.8 million and an average property tax of \$104,052;
- Recreation/non-profit property assessed value of \$1.84 million and an average property tax of \$7,174; and
- Utility property assessed value of \$1.55 million and an average property tax of \$31,592

FIGURE 14. UEL 2021 AVERAGE MULTI-FAMILY PROPERTY TAX





Property Tax Rate Comparison

As noted in Section 2.5.2, a community's property tax rate (also known as the mill rate) is a function of the amount of revenue required to be raised through property taxes and the amount of net taxable assessment (in all property classes) in the community. The property tax rate will fluctuate from year to year depending on the amount required from taxation and the net taxable assessment determined by BC Assessment.

Table 7 provides a comparison of the 2021 property tax rates for UEL and the City of Vancouver. Note that this only includes property tax components that are comparable, and does not include parcel taxes and other potential fees. While not an "apples to apples" comparison, it provides an introduction to one of the many considerations when reviewing the various governance scenarios that are explored later in the report.

TABLE 7. CLASS 1 RESIDENTIAL PROPERTY TAX RATE COMPARISON (2021 RATES)

UEL		City of Vancouver	
Description	Tax Rate	Description	Tax Rate
UEL Administration	1.1742	General Purpose	1.6015
Police Tax	0.0691	(Police Tax included in above)	n/a
Provincial School ⁽¹⁾	0.9652	Provincial School ⁽¹⁾	0.9666
Translink	0.2586	Translink	0.2590
BC Assessment	0.0412	BC Assessment	0.0412
Municipal Finance Authority	0.0002	Municipal Finance Authority	0.0002
Metro Vancouver	0.0954	Metro Vancouver	0.0540
TOTAL ⁽²⁾	2.6039	TOTAL	2.9225

Notes:

(1) An additional Provincial School tax applies to all residential properties over \$3 million in assessed value.

(2) An administrative fee of 5.25% applies to UEL property taxes for the Surveyor of Taxes

Based on the 2021 property tax rates, the Class 1 (Residential) tax rate for UEL was \$2.6039 per \$1,000 of assessed value. This compares to the City of Vancouver at \$2.9225 for a difference of \$0.3186 per \$1,000 of assessed value, or approximately 12.6% difference. However, the UEL posted rate does not include the 5.25% administrative fee levied by the Surveyor of Taxes, which would increase the UEL property tax rate to \$2.7858. This would reduce the difference with the City of Vancouver to \$0.1819 per \$1,000 of assessed value, or approximately 6.5% difference. Further detailed financial analysis would be required to explore the property tax impacts under the various governance scenarios, which is beyond the scope of this Study.



2.6 ROUND ONE CONSULTATION – CURRENT STATE AND SERVICE DELIVERY

The first round of the engagement process centered around understanding the perspective of the community and key stakeholders on the general state of the UEL and satisfaction with respect to local service delivery.

Community and public engagement took place between March 2021 and April 2021 which followed a series of targeted sessions with key interested groups (see [Appendix D](#) for a comprehensive list) including the service providers and neighbouring jurisdictions.

2.6.1 BACKGROUND COMMUNITY PROFILE AND SERVICE HIGHLIGHTS

To support meaningful input into the project through the engagement process, the public and key stakeholders were provided with a Community Profile ([Appendix B](#)) and the nine Service Highlights ([Appendix C](#)). This background information was published on the project website, and provided an overview of each service, the legislative framework for implementation, as well as financial and other service delivery considerations.

2.6.2 KEY INTERESTED GROUP DISCUSSIONS

A number of considerations were raised by key stakeholders (UEL Administration, City of Vancouver, Metro Vancouver, UBC, MOTI, PSSG, and CAC) during individual meetings held during round one of the consultation. Key observations with regard to the current state of the UEL and the current service delivery approach are summarized as follows:

- Multiple agencies and contractors involved in local service delivery make it challenging to plan, coordinate, and also leads to confusion in the community. The size of the UEL Administration's budget and staff complement are smaller relative to neighbouring jurisdictions, with and added challenge of competing with other municipalities for similar staff expertise.
- Housing affordability is a challenge for both residents as well as staff of service providers, who are having a difficult time finding suitable accommodations in the area.

- Financial sustainability is a potential concern, with the provision of new amenities from new development (e.g. community centre, local parks) leading to the increased funding (i.e. taxation) required to pay for additional administration, operations and maintenance of such new facilities.
- Municipal edge issues (e.g. coordination of operations and maintenance at the border) are not prominent with UEL. This is likely since much of the border is parkland. There are some shared local road maintenance services between the two jurisdictions (e.g. with the City of Vancouver at Blanca Street).
- The fire service response demand and risk profile will continue to increase with densification at UEL (and UBC), particularly with respect to high rise buildings.
- There is limited information available regarding the transfer of the University Golf Course to Musqueam, which makes it challenging to plan for long term infrastructure and financing.
- UBC governance is working relatively well, and they are optimizing their current arrangement with the University Neighbourhoods Association (UNA) as well as focusing on continued service delivery improvements.
- UEL is a neighbouring jurisdiction with UBC, with a number of shared services (e.g. policing, fire protection). UBC staff meet with UEL Administration as required. There is general coordination of services, but with an understanding that UEL has limited staff capacity (e.g. no transportation planner for shared active transportation planning).
- A number of UBC community/recreation facilities are utilized by UEL residents, and there would be interest in discussing and coordinating with UEL with respect to usage of the future Ielam community centre.
- Pacific Spirit Park is operated all as one area, but there are distinct topographic differences between the uplands (forested areas and trails) and the foreshore (natural processes impacting erosion of slopes). With continued visitor growth the park may require future expansion of operations facilities.
- Metro Vancouver provides recommendations to the Province for liquor and cannabis licensing applications on UEL.
- Although emergency management is a regional service, it is effectively limited to a planning role, as ability for on-the-ground response is strained based on location and limited resources.
- MOTI Maintains major roads within UEL through a contract with Mainroad Lower Mainland Contracting. At approximately 42 lane kilometres, UEL comprises a very small portion of Mainroad's overall Lower Mainland Service Area (1,430 lane kilometres), which is less than 3%.
- Currently, the University RCMP detachment provides service to the UEL, UBC campus, the UNA, and Pacific Spirit Park (including Wreck Beach). Future staffing levels would need to be evaluated as population growth occurs throughout the detachment service area.
- The CAC is an elected body of 7 residents from the four neighbourhoods within UEL. As they are an entirely volunteer organization with no administrative support, the CAC has had challenges attracting new Directors as well as maintaining quorum for its meetings.
- The CAC is an advisory body which can only provide input to UEL Administration, by communicating the needs and concerns of UEL residents. This can lead to potential friction between the CAC and the UEL Manager, who has delegated decision-making authority from the Minister of Municipal Affairs for local service delivery and certain land use decisions.

2.6.3 VIRTUAL OPEN HOUSE #1

On March 11, 2021 a Virtual Open House was held for the community, with 25 in attendance. The Zoom platform was used under panelist mode with the Q&A feature enabled. The project team provided a brief overview of the project, its objectives and the work to date including the background information which was available on the project website. Following the presentation, the project team responded to anonymously submitted questions from those in attendance. The questions raised during the meeting were added to the FAQs on the project website.

2.6.4 COMMUNITY SURVEY #1

A community survey was conducted which sought to gain a better understand of the current demographic profile of UEL residents, their level of satisfaction with current services, and areas of improvement.

The survey was open to the public for their input and feedback from March 2nd and April 12th, 2021. It was provided in both English and Simplified Chinese, and an information flyer was delivered to over 1,500 residential homes within UEL. In addition to the online surveys, hard copy versions were also made available for pick up and return at the UEL Administration office. In total, 189 people responded to the survey.

2.6.5 SUMMARY OF ROUND ONE PUBLIC ENGAGEMENT

The first round of community engagement is briefly summarized below, with a complete summary of “what we heard” provided in [Appendix E](#). As noted, the first round of public engagement centered around service delivery and general issues facing the community. Some of the highlights of the survey and community feedback included the following:

General Satisfaction and Appreciation

- 83% indicated that their quality of life in the UEL is good or very good.
- UEL residents most appreciate: the surrounding natural environment, livability, location, community design, governance, and services and amenities.

UEL Residents’ Satisfaction with Services

- Services people are most satisfied with include outdoor recreation, parks, police and garbage collection.
- Services people are least satisfied with include general administration, indoor recreation and community planning.

Future Considerations

- The most important current / short-term issues for the UEL include governance, community planning, community livability, community infrastructure, nature / environment and sense of community.
- The most important long-term issues or opportunities for the UEL include community planning, community livability, governance, community infrastructure and sense of community.
- The most important issues or opportunities for the broader region (i.e., Metro Vancouver) include community livability, community planning, governance, environment and community infrastructure.



3.0 GOVERNANCE SCENARIOS TO MANAGE THE FUTURE STATE OF UEL

Based on Metro Vancouver growth projections, the UEL is anticipated to increase in population from its current 3,193 residents (2021) to an estimated 7,300 people by the year 2050. This is a significant amount of population growth, which will bring with it increased demands from the community for improved levels of service delivery, robust plans and policies, and good decision-making processes.

As previously noted, the current governance structure of UEL is unique within the Province of British Columbia. Looking ahead 30 years, regardless of the governance model, many of the issues that the

community is currently facing will remain, while others will be exacerbated with additional growth and development pressures. Under the current legislative framework, there are three other governance scenarios which could be considered in addition to the status quo. **Figure 15** below provides a graphic representation of the governance scenarios to be discussed and includes the following: Provincial Scenario (status quo), Regional Scenario (local service area), Inclusion Scenario (neighbourhood within a large municipality) and Incorporation Scenario (small municipality in an urban region).

FIGURE 15. GOVERNANCE SCENARIOS TO MANAGE THE FUTURE STATE OF UEL



This section of the report will undertake a high-level review of the four governance scenarios as presented, highlight the characteristics of each scenario, along with the potential opportunities and challenges of each and identify which of the scenarios should be explored in further detail in the next section. The discussion of these scenarios will be largely qualitative and from the perspective of how each scenario could manage the needs of the future state of UEL in 2050. Moreover, these governance scenarios were selected as they fall within the legislative structure of current provincial regulations.

The scenarios are intended to demonstrate how alternative governance structures that exist elsewhere in the province may impact the UEL. For clarity, these scenarios are not presented as options particularly since further governance scenarios may emerge through additional research and engagement with key stakeholders and may warrant further exploration. This Study only contemplates scenarios that currently exist within legislation. The province will need to undertake additional research beyond the scope of this Study to determine whether the presented scenarios or any additional scenarios warrant further investigation.



3.1 PROVINCIAL SCENARIO (STATUS QUO)

This scenario would maintain the primary delivery of local government services under the current structure of UEL Administration, through the Ministry of Municipal Affairs. While future growth on UEL lands over the next 30 years will create some additional demand for services, based on the review and discussions with key interested groups it is apparent that the key service drivers will be impacted by growth that is occurring outside UEL boundaries. This is based on the significant growth forecasted in the City of Vancouver, especially along the Broadway Corridor, as well as continued growth and development at UBC, which will be the predominant drivers of service delivery in the Burrard Peninsula, rather than specific growth pressures at UEL.

Opportunities:

- Additional assessment and taxation base due to future UEL growth and development. The current (2021) assessment base is approximately \$6.3 billion with a total net taxable assessment based on approximately \$3.9 billion. Based on projected development (multi-family residential with some retail and office commercial development), the total net taxable assessment base in 2050 (in 2021 \$) could essentially double to approximately \$7.5 to \$8.0 billion.
- Existing contracts for services that are currently working well could perceivably be renewed and renegotiated (e.g. fire protection, library, solid waste).
- Costs for some services (e.g. roads, policing) would remain relatively low under provincial jurisdiction.
- Relatively low administrative costs compared to other governance scenarios.

Challenges

- A significant investment in planning, development and building staff would likely be required to support the anticipated number of applications for development and building permits.
- The lack of legislative development financing tools makes it more challenging to finance future infrastructure projects due to growth, as a local government would be able to collect fees from developers through tools such as DCCs and Community Amenity Contributions (CACs). Currently these are being negotiated at time of rezoning and front-ended by the developer on a case by case basis.
- The inability for UEL to set aside funds in a capital reserve account makes it challenging to plan for the replacement and refurbishment of necessary infrastructure works, based on an overall asset management plan and best practices for sustainable infrastructure financing.
- Inter-jurisdictional coordination will continue to be a challenge under this governance scenario (e.g. parking regulations on MOTI roads, bylaw enforcement, coordination of land use policies along the boundary between UBC and UEL).
- Continued lack of meaningful local elected representation (i.e. the elected Electoral Area Director would continue to have no jurisdictional authority over land use decisions and most local services).

There were enquiries raised during the study on opportunities for the CAC to take a more direct role in the administration of services in the UEL in an approach more aligned with the University Neighbourhood Association (UNA) at UBC. This has also been explored in the past with a referendum being held on the UEL joining UBC.

The UNA manages infrastructure and regulates matters of concern in the public realm for residents of the neighbourhoods around UBC's campus as stipulated in the Neighbours Agreement 2020. They also provide recreation, parking, child care, accessibility and sustainability services.

The UNA is a robust society led by an elected board of directors who are guided by eight committees who advise on areas including finance, governance, community engagement, and liaison with other organizations.

In order to implement a change in governance similar to the UNA structure, a substantial review would be required. The legislative requirements would need to be reviewed. The implications of a change in service provision from the UEL Administration to the CAC would result in the transfer of responsibilities which would need to be accompanied by the establishment of processes and resources (budget, staffing and equipment). The extent of these impacts would be dependent on which services were transferred.

While it is unclear if this model of governance is feasible, it would likely act as only incremental improvement and not a long-term solution for governance of the UEL. This model was not reviewed in depth as it does not align with Provincial expectations and approaches to achieve best-fit, effective governance. These principles are explored further in Section 3.6.

3.2 REGIONAL DISTRICT SCENARIO (LOCAL SERVICE AREA)

Under this scenario, the vast majority of local services would be transferred to and provided by Metro Vancouver. The Local Government Act permits a regional district to establish, operate, and fund services to its residents and ratepayers if they desire it. This is done through an establishing bylaw which normally has received participating area approval to create the service (either through a petition, alternate approval process, or referendum vote). It is not uncommon for a typical regional district to have 100 to 200 service areas for the various local, sub-regional and regional services it provides at each geographic level.

Given the highly urbanized nature of Metro Vancouver with 21 municipalities, one Treaty First Nation, and one electoral area, currently the regional district provides very limited local services to residents in Electoral Area A, as shown in **Table 8** below. Land use planning and building inspection are limited to those areas outside of the UEL and UBC, and emergency planning and response is limited to emergency social services, disaster financial assistance and wildland fire suppression. In discussion with Metro Vancouver staff, given that they currently provide limited local services to Electoral Area A, they are currently not set up to provide the level of local services currently being provided by UEL Administration. Taking on any additional services at UEL would require further research and analysis, and likely additional resources.

TABLE 8. SUMMARY OF LOCAL SERVICES PROVIDED BY METRO VANCOUVER TO ELECTORAL AREA A

Local Service Provided by Metro Vancouver	Howe Sound	Bowyer Island	Passage Island	Indian Arm	Boulder Island	Carraholly	Pitt Lake	Barnston Island	UBC	UEL
Land Use Planning	✓	Islands Trust	Islands Trust	✓	✓	✓	✓	✓	Admin. by Province	Admin. by Province
Building Permits/ Inspections	✓	✓	✓	✓	✓	✓	✓	✓	Admin. by UBC	Admin. by UEL
Emergency Planning and Response*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Liquor Licence Review	✓	✓	✓	✓	✓	✓	✓	✓	✓	TBD
General Admin	✓	✓	✓	✓	✓	✓	✓	✓	Admin. by UBC	Admin. by UEL

Note: Emergency Planning and Response includes Emergency Social Services, Disaster Financial Assistance, Wildland Fire Suppression (under agreement with BC Forest Service), and Incident Command.*

Metro Vancouver does not provide local recreational or community services / facilities or structural fire protection services to the Electoral Area.

Additional infrastructure and services, such as drinking water, septic, garbage collection and snow clearing may be organized and contracted directly by individual communities.

Opportunities

- Additional assessment and taxation base due to future UEL growth and development.
- Establish and fund only those local services that are given participating area approval.
- Ability to create reserve funds for asset management, as well as utilize other development financing tools (e.g. DCCs, CACs).
- As an unincorporated area, financial responsibility for roads and policing would remain a provincial function.
- Local decision making (on service delivery and land use approval) would rest with the Electoral Area Director, who is directly elected by UEL residents.
- As a local government, there would be an ability to apply for senior government grants, as well as obtain access to the MFA for capital financing.
- In general, Metro Vancouver has many of the local government systems and departmental functions in place to take over local service delivery at UEL.

Challenges

- While Metro Vancouver has the base administrative systems and departmental functions in place, it would likely have to hire additional staff and possibly create new departments in order to provide the specific local service functions currently managed by UEL Administration. This would have to be funded through the new local service areas established to provide the new service functions.
- Regional Districts are generally not structured to provide urban levels of service, especially for roads (e.g. sidewalks, cycling facilities, multi-use pathways) which would remain under the authority of MOTI. Special agreements would need to be negotiated in order to provide an urban level of local road service through MOTI and its contractor (along with appropriate funding).
- There is only one elected official (EA A Director) who would now represent UEL residents on all land use and local service matters, as well as continue to represent UBC and the remainder of the electoral area. Under this scenario, local planning and development matters in the UEL as part of Electoral Area A may go through the Electoral Area Committee, which includes the EA A Director plus Directors from 9 municipalities. UEL residents may wish to weigh in on whether the structure of the Electoral Area Committee aligns with their governance philosophy.
- Depending on the nature of the workload and services to UEL under this model, this may lead to the need to consider a separate EA director just for UEL, to represent the projected 7,200 residents. This challenge was expressed by the current EA A Director and Metro Vancouver staff. Furthermore, this scenario may be seen a “stepping stone” towards considering municipalization (inclusion or incorporation), as described in the next two sections.



3.3 INCLUSION SCENARIO (NEIGHBOURHOOD WITHIN A LARGE MUNICIPALITY)

This scenario would involve the extension of the municipal boundaries of the City of Vancouver to include UEL. Based on the 2021 Census, the City of Vancouver has a population of 662,248, making it the most populous municipality in British Columbia. At its current population of 3,193, UEL would add less than half of one percent (0.48%) to the population of the City of Vancouver.

Under this scenario, all local government services and decision making would be undertaken as a part of the City of Vancouver, with its elected Mayor and 10 Councillors. One aspect with respect to this governance scenario is that the included UEL lands would be subject to the *Vancouver Charter*, which is legislation that is unique to the City of Vancouver. All other local governments in British Columbia are subject to the Community Charter and the Local Government Act. Although the differences are subtle, the *Vancouver Charter* provides a few more tools with respect to land use planning (e.g. conditional approval uses), building regulation (e.g. separate building efficiency standards) and development cost recovery (e.g. Development Cost Levies instead of DCCs). In addition, the City of Vancouver has a separately elected Park Board unlike other municipalities in British Columbia.

Opportunities

- Much larger tax base as a part of the City of Vancouver.
- Economies of scale to potentially absorb new costs (e.g. infrastructure renewal).
- Ability to create capital reserve funds and other development financing tools.
- Some existing services to UEL are already provided by the City of Vancouver (e.g. fire protection).
- Administrative systems and experienced staff already in place.
- Ability to apply for senior government grants.
- Greater local elected representation over current situation – 1 Mayor and 10 Councillors.

Challenges

- Immediate increased costs for certain services (e.g. roads and policing) associated with inclusion which may be offset by larger tax base and economies of scale. Further information on this is provided within this report under the property tax rate comparison section.
- Loss of UEL assessment base in Electoral Area A may impact funding and potential service delivery in the remainder of Electoral Area A for those shared local services that UEL currently contributes towards (e.g. Emergency Planning).
- Maintaining UEL's community identity and voice as a smaller neighbourhood within a larger municipality.

3.4 INCORPORATION SCENARIO (SMALL MUNICIPALITY IN AN URBAN REGION)

The other municipalization scenario would see the UEL lands incorporate as a separate, new municipality. All assets (e.g. utilities, roads, local parks) would become vested with the new incorporated municipality, and responsibility for most local government services would transfer immediately to the new entity. Notable exceptions are Pacific Spirit Park which would remain a regional park and policing services. With regards to policing, the share of the municipal contribution is based on population (30% contribution for communities under 5,000 population, 70% contribution at 5,000 population and 90% contribution at 15,000 population). This topic will be discussed further in the next section of the report.

All local government services and decision making would be undertaken as a part of the newly incorporated municipality, with an elected Mayor and Councillors. The type of municipality and size of Council is determined by population. At its current UEL population of 3,193, it would be classified as a "town" with a Mayor and 4 Councillors. It would be the 4th smallest municipality within Metro Vancouver, ahead of the Village of Belcarra (687), Village of Lions Bay (1,390) and the Village of Anmore (2,356). Similar comparable communities in the province by population include: the Town of Lake Cowichan (3,226), District of Invermere (3,391), District of Lantzville (3,605), as well as Bowen Island Municipality (3,680). At a future population of approximately 7,300, it would be classified as a "city" with a Mayor and 6 Councillors. Similar communities in the province by population include: the City of Merritt (7,139), City of Kimberley (7,425), City of Revelstoke (7,547), and City of Trail (7,709). For reference, of the 161 incorporated municipalities currently in British Columbia, the average population is 25,760 and the median population at 4,708. Therefore, under the incorporation scenario, UEL's current population would be under the median population of all municipalities in BC (96th largest of 162), and for the future population, UEL would be over the median population (68th largest of 162), based on their current population.

Opportunities

- Additional assessment and taxation base due to future UEL growth and development.
- Compact land base with relatively high assessment for the delivery of services and infrastructure management.
- Ability to create capital reserve funds and other development financing tools.
- Ability to apply for senior government grants and obtain access to the MFA for capital financing.
- Greater local representation with an elected Mayor and Councillors (size of Council based on population).

Challenges

- Increased costs associated with incorporation, including the establishment of an entirely new administrative and governance structure, policies and regulations.
- Relatively small taxable land base (majority of land is regional park), which is largely residential with no room for expansion or land use diversification (e.g. industrial).
- Having a recognized voice within the region, as the 22nd municipality on the Metro Vancouver Board (in contrast to being part of the City of Vancouver, the largest municipality within Metro).
- Loss of assessment base in Electoral Area A may impact funding and potential service delivery in the remainder of Electoral Area A for those shared local services that UEL currently contributes towards (e.g. Emergency Planning). This is more of a transitional impact to Metro Vancouver rather a specific impact to the newly incorporated municipality.



3.5 ROUND TWO CONSULTATION – GOVERNANCE SCENARIOS

The second phase of public engagement took place during Winter 2021 / Spring 2022. The engagement process was intended to introduce and provide an understanding of the governance scenarios explored in the previous section, and how each scenario could meet the community's future needs for service delivery and decision-making. This round of community consultation followed a series of targeted sessions with key interested groups including various service providers and neighbouring jurisdictions.

3.5.1 KEY INTERESTED GROUP DISCUSSIONS

In advance of the public engagement process, the consultant regrouped with key stakeholders during Winter 2021 to discuss the various interests from the perspective of the governance scenarios. In addition to the meetings, a half-day virtual session was conducted with key staff from the City of Vancouver to explore how services are currently delivered within the City, opportunities and challenges with respect to the inclusion scenario, and identify specific questions, comments or concerns from City staff regarding the future governance at UEL to assist in the review of the inclusion scenario. A summary of the key comments raised by each stakeholder are provided below:

City of Vancouver

- It was difficult for staff to provide detailed feedback on the scenarios without having much more data and information (e.g. population, land use, servicing requirements, infrastructure condition, tax base, contractual agreements).
- There are some Neighbourhood Associations and Community Centre Associations throughout Vancouver that engage with City staff on planning and service delivery matters. The City uses its 311 line where residents can call about municipal issues.
- Similar neighbourhoods to UEL include Point Grey and Shaughnessy. If an updated neighbourhood plan were to be created that included UEL, it might be aligned with other adjacent parts of the City like Dunbar or West Point Grey.

UBC

- Acknowledged that there are some complex problems facing UBC and UEL today, e.g. climate change/vulnerability, housing affordability, transit future. The current governance model is not fully equipped to address these issues.
- UBC has similar challenges with the current regional district model, with similar lack of authority of the Electoral Area A Director.
- While this may lead to considering a municipalization scenario, any future UEL governance study will need to work closely with UBC in considering and coordinating its governance approach over the long-term.

Metro Vancouver Regional District and Electoral Area A Director

- Acknowledged that the status quo is not perceived as sustainable in the long-term, and that continued progress and planning towards making a governance change is appropriate.
- The Regional District scenario (Local Service Area) was acknowledged as being legally feasible but was also not considered practical by Metro Vancouver staff. The implementation of a model intended for rural area services within a highly urbanized environment does not provide any clear benefits.
- The current issues surrounding the review of cannabis applications, in that recommendation for approval is subject to the Metro Vancouver Electoral Area Committee which consists of 10 members with only one being elected by UEL residents, is illustrative of the dilution of the Electoral Area A Director's decision-making authority.
- Either of the municipalization scenarios will require a detailed review of the Electoral Area A services requisition and funding formulas (for example, the Community Works Fund is based on population).

The future of governance at UEL may trigger a larger discussion regarding the overall future of Electoral Area A, and the potential for the complete municipalization of Metro Vancouver.

Public Safety and Solicitor General (PSSG)

- PSSG's service contract is with Public Safety Canada (PSC) who has a contract with the RCMP until March 31, 2032. There is one provincial contract; allocation is based on a population formula (e.g. officers per capita), although there is some consideration of unique factors within each community.
- If incorporation were to occur, initial UEL population would be under 5,000. Some challenges may occur with the determination of "emergence" (i.e. population above 5,000) depending on the new municipal boundary selected, as the UEL census data tracts don't align exactly with jurisdictional boundaries.
- An incorporated UEL would have the potential opportunity to establish its own Independent Police Agency or contract from another community for the provision of policing services only after emergence occurred (i.e. above 5,000 population).
- Additional policing services to UBC might be resourced out of Richmond, which is the nearest RCMP detachment. UBC, as private lands, have onsite Campus Security, and they can escalate certain incidents to the RCMP (which may need to be further reviewed).

Ministry of Transportation and Infrastructure (MOTI)

- Acknowledged that MOTI would maintain UEL roads under the first two governance scenarios, but would transfer roads to the appropriate municipality under the inclusion or incorporation scenario.
- Under the current (Provincial) scenario, the UEL does undertake maintenance of local roads due to desired level of service. This would not likely be the case under the Regional District scenario.
- If the status quo remains, then the current service agreement (from the 1990s) should be reviewed, as it only covered maintenance and not the authorization of works within the right-of-way (i.e. utilities).

Ministry of Forest, Lands and Natural Resources Operations (FLNRO)

- Indicated that there are a number of Crown Land properties within UEL, including the UEL Administration / Public Works site, at approximately 9.9 acres (4.0 ha).

Ministry of Indigenous Relations and Reconciliation (MIRR)

- Acknowledge the importance of "setting the table" for the conversation with Musqueam Nation. MIRR will support the Ministry of Municipal Affairs as needed.
- Musqueam Nation has a history of traditional use and occupation of these lands. It will be important to recognize this and incorporate reconciliation into the process.

3.5.2 COMMUNITY NEWSLETTER AND GOVERNANCE BACKGROUNDER

A community newsletter was published on February 25, 2022 with 1,500 copies distributed throughout UEL neighbourhoods. It was designed to provide the public with an update on the UEL Governance Study and direct readers to the website where they might find more information about the project. The newsletter also highlighted the upcoming engagement opportunities including the virtual open house and community survey.

In advance of the open house, a background document outlining Governance Scenario Highlights was prepared, which is included in [Appendix F](#). The document was reference in the community newsletter and was posted on the project website. It provided an overview of each scenario along with its legislative framework, as well as the administrative, financial and service delivery considerations for each.

3.5.3 VIRTUAL OPEN HOUSE #2

On March 16, 2022 a virtual Open House and facilitated discussion was held over the Zoom platform. Given that it was a facilitated discussion, pre-registration was requested by participants (but not required). Notification and advertising of the Open House was posted on the project website and through social media channels and was also distributed through the Community Advisory Council (CAC)'s mailing list and the Electoral Area A Director's monthly newsletter. Prior to the meeting, there were 15 members of the public registered for the event, with 10 in attendance during the session.

After providing a brief overview of the project and findings to date, the governance scenarios were introduced to the audience. The participants were then randomly separated into two virtual breakout groups. The format was designed to hear directly from residents in smaller group settings, using the following discussion questions related to each of the governance scenarios:

1. What opportunities / advantages do you see with this scenario?
2. What challenges / disadvantages do you see with this scenario?
3. How would this scenario impact you?

To assist in the facilitated discussion, a virtual whiteboard tool called Mural was utilized to record and post the input from participants. Following the breakout session, the groups reconvened for a recap of the discussions.

3.5.4 COMMUNITY SURVEY #2

Following the open house, a community survey was prepared to gather input from community members. It was structured around the same questions as the facilitated open house session to maintain consistency. A recording of the Virtual Open House was posted on the website following the event to support the community in understanding the scenarios and completing the survey.

The survey was open to the public for the community's input and feedback from March 17th and April 14th, 2022. It was provided in both English and Simplified Chinese, and an information flyer was delivered to over 1,500 residential homes within UEL. In addition to the online surveys, hard copy versions were also made available for pick up and return at the UEL Administration office.

The response to the community survey was limited, with 12 surveys being completed based on 26 unique visitors to the survey page (i.e. 14 visitors went to the survey page but did not complete the survey). There were no hard copies of the survey picked up at the UEL Administration office.

3.5.5 SUMMARY OF ROUND TWO PUBLIC ENGAGEMENT

The second round of engagement is briefly summarized below, with more detailed information being provided in [Appendix G](#) – Round Two Engagement Summary.

From the discussions and interactions with members of the public, there was generally positive feedback on the second round of consultation, with residents appreciative of the information being provided. Unfortunately, the response was limited in both numbers (10 attendees at the Virtual Open House and 12 survey responses) and location (most Open House participants and survey respondents were from Area C, with no participants from Area D). The respondents also skewed towards older, single-family home owners with relatively high incomes. As a result of both the low response rate and demographics of



respondents, this round of engagement does not give a complete cross-section of the community and likely did not capture many perspectives.

Nonetheless, there was some very good discussion at the Open House and from the community feedback on the completed surveys. While not statistically valid, some of the key takeaways from the community's responses are as follows:

- Most respondents are generally satisfied with the "hard" services provided under the current governance structure, especially infrastructure (water, sewer, roads) and waste collection.
- The biggest service challenges stem from lack of input into the development application process as well as bylaw enforcement.
- Additional challenges stem from the feeling of "taxation without representation".
- While the incorporation scenario provides more direct, local representation through an elected Mayor and Council, many respondents acknowledged the potential difficulty of hiring and retaining qualified staff, limited taxation base, as well as getting volunteers for committees given the current volunteer challenges.
- The inclusion scenario was appealing to some due to the larger tax base, economies of scale, municipal accountability, existing resources and administration, and geographic proximity (for those in Area C). Disadvantages for inclusion are the potential tax increases, a large bureaucracy, and potential loss of UEL's distinct character.
- Most of the Open House participants and survey respondents did not consider a Regional (local service area) governance model to be effective in the long run, although for most participants it wasn't really a previous consideration.
- A number of respondents suggested potential improvements to the Provincial (status quo) model, which may require legislative change. This could include improved representation (from the local MLA rather than the Minister of Municipal Affairs), enhanced local powers, and more active participation in governance.



3.6 PRELIMINARY EVALUATION OF SCENARIOS

The intent of this Study is to better understand and review the opportunities and challenges of the current governance structure at the UEL. Effective governance is only achieved in a model that addresses the needs and expectations of citizens, locally elected officials and the Province. It must also respect the rights of First Nations as per the *Declaration on the Rights of Indigenous Peoples Act*.

The purpose of this preliminary analysis of all four governance scenarios was to identify whether they could effectively address the long-term services and governance needs of the UEL, not just the current and short-term situation. During the discussions which are summarized in the previous sections related to the governance scenarios, challenges with the status quo and local service area options were apparent.

The Provincial governance model (ie. status quo) presents a number of structural, personnel and financial challenges, which will continue to be exacerbated over the long-term with population growth and increased service complexity. The Province also has expectations and approaches to balancing the demands of various parties to achieve best-fit, effective governance. The following characteristics of the status quo were identified as counter to the Province's approach:

- The level of involvement of the Province in local matters should be limited to instances where the Provincial government has a clear purpose, responsibility or interest.
- Transparency in decision-making is limited. Although amendments in the past have been made to improve transparency (e.g. establishment of the CAC), there remains a dissatisfaction voiced by citizens that decision-making is not conducted in a manner that is open and fair.
- The UEL Administration has limited financial accountability to citizens as there is a lack of clarity of the value for services provided, nor the democratic means to influence financial administration. In addition, the UEL also lacks financial autonomy from the Province as budget decisions can impact local financial matters.
- The Province seeks to establish local government legislation that is clear, simple, and equitable. The *University Endowment Land Act* provides

privileges and constraints on the UEL community and its administration. Enhancing the status quo to address the concerns heard from the community and other key stakeholders would require dramatically reforming the *University Endowment Land Act* which would be counter to the Province's objectives and principles of representation, delegation of authority, equity, and alignment. Based on the review, any change in governance in the UEL would require legislative assembly approval (repealing the UEL Act). While an enhanced UEL Act would likely improve governance of the area, it would also be politically challenging in that it would extend the privileges afforded to the UEL which are not provided to other communities.

Similarly, the Regional District local service area scenario, while legislatively permitted in British Columbia through the Local Government Act, had the following characteristics identified which are counter to the Province's approach or which led to implementation challenges:

- Local service areas are usually more appropriate for rural electoral areas in the province, and require specific financial and administrative structures and processes within the regional district in order to manage and account for each local service separately. The local service area is not a service delivery model that Metro Vancouver currently provides.
- In the Regional District model, the elected Director has concentrated decision-making powers on service provision. This model of Governance, with a "Council of One" is not designed for the variety of issues and constituents within an urban context.
- Although the UEL would be able to vote directly for their Electoral Area Director, the majority of the population within the Electoral Area live outside of the UEL and therefore would have the power to appoint the Director, therefore not resolving the status quo's lack of democratic representation and accountability.
- Authority for decision-making on certain matters is with the Metro Vancouver Electoral Area Committee which includes the elected representatives from across the regional district. If this model was expanded upon, decisions in the UEL would continue to be made primarily by those not residing within the area.

- The Regional District model, although seen as an improvement over the current status quo, is likely only an incremental improvement towards good governance and not a long term solution for the community.
- While it is hypothetically possible for Metro Vancouver to create a series of local service areas within the UEL boundaries of Electoral Area A for the services currently being provided by UEL Administration, the regional district is not currently set up to perform these local functions.
- For this to occur, Metro Vancouver would need to assume responsibility for the following services: planning and development, local water distribution, local sewage collection, garbage and organics, local parks and trails, recreation, street lighting, regulation and enforcement, finance and general administration. Additional new local services could be added through an establishing bylaw, should they be desired by UEL residents and taxpayers (through a petition for local service, endorsed by more than 50% of the property owners representing more than 50% of the assessed value within the proposed service area).
- Finally, because the area would remain unincorporated, some services (e.g. roads, policing) would remain under the jurisdiction of the Province which, although may provide financial benefits to local residents, would not alleviate the cross-jurisdictional service challenges that currently exist.

Based on the analysis and rationale provided above, neither the status quo nor the local service area governance scenarios were considered a best-fit and long-term sustainable governance model for the future of UEL residents and taxpayers.

The municipal scenarios of inclusion and incorporation are both consistently applied as governance models throughout British Columbia, particularly in an urban context. The following characteristics of the scenarios were identified which are aligned with the Province's approach:

- The Province seeks to establish local government legislation that is clear, simple, and equitable. The municipal scenarios of inclusion and incorporation have differences in their legislation, the *Vancouver Charter* and *Community Charter* respectively. Since all other local governments in British Columbia are subject to the *Community Charter*

and the *Local Government Act*, with the exception of Vancouver, the incorporation scenario certainly aligns with this objective. The *Vancouver Charter* is unique to the City of Vancouver and the inclusion of the UEL in that area would extend the subtle differences in the legislation to a larger area.

- The municipalization scenarios would improve local representation, accountability, and transparency while still providing opportunities for involvement of the community in decision-making.
- The municipalization scenarios would rebalance interests of the community with that of the Province through limiting Provincial involvement in governance and decision-making to instances where the Province has a clear purpose, responsibility or interest.
- Local governments should be responsive to service needs of the community and be financially able to respond to the needs of the community. The municipalization scenarios would each provide new tools to address these issues.

Based on the analysis, the municipalization scenarios could, to varying degrees, effectively address the long-term services and governance needs of the UEL and both scenarios are worthy of further evaluation. Further analysis of the municipalization scenarios is explored in detail in the next section.



4.0 MUNICIPAL GOVERNANCE SCENARIO ANALYSIS

Based on the discussion in the previous section of the four governance scenarios (status quo, regional district, inclusion, and incorporation), the municipal scenarios are the most likely to provide an effective and efficient level of local governance and service delivery to serve the future population of UEL. They provide an appropriate and expanded set of legislative and financial tools (compared to status quo) with a broader, more accountable group of locally elected officials.

The remainder of this Study will focus on the two municipal scenarios – inclusion as a neighbourhood within a larger municipality and incorporation as a small municipality in an urban region. The discussion and analysis in this section will be centered around

how each of the service categories could be delivered by each of the municipal governance scenarios, and what the potential impacts and/or considerations could be based on the future state of the UEL in approximately 30 years.

This analysis is high level in nature and presents how these two municipal scenarios may impact service delivery in the UEL. As such, this Study does not provide a recommendation on which scenario may be best suited to address the UEL's needs. The Province will need to undertake additional research, engage with key stakeholders, and undertake consultation with Musqueam First Nation should there be interest in exploring any of the presented scenarios in more detail.



4.1 COMMUNITY COMPARISONS

As part of this analysis, characteristics from other municipalities were researched using information from the provincial Local Government Data Entry (LGDE) system. While detailed quantitative analysis was not part of the scope of this Study, select data from a number of case study communities was utilized to compare specific financial and other elements, based on the following:

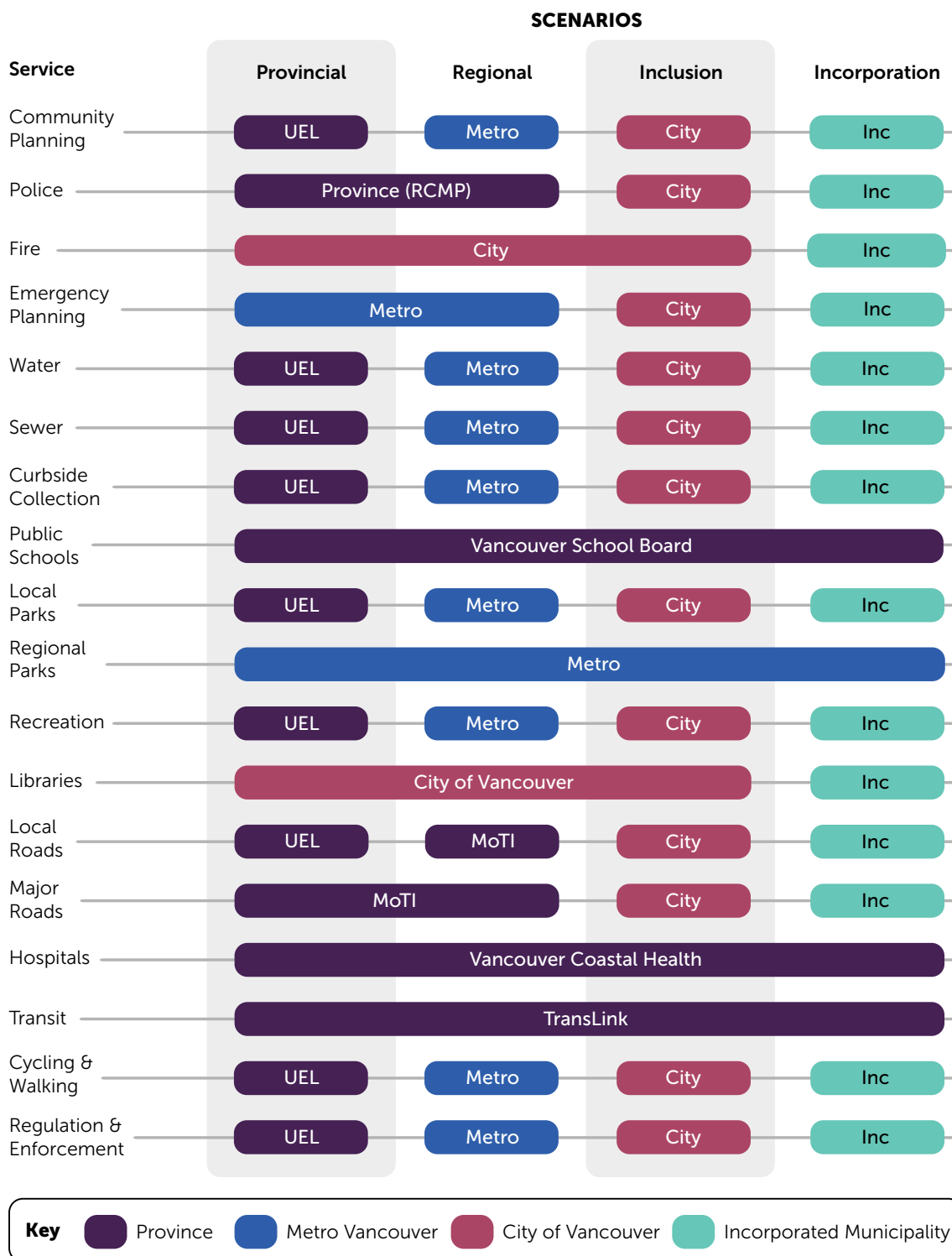
- Municipalities of similar population to UEL today (i.e. 3,193 population);
- Municipalities of similar population to UEL in the year 2050 (i.e. 7,300 population);
- Municipalities of similar infrastructure characteristics (e.g. kilometres of roads);
- Municipalities transitioning over the 5,000 population threshold, specific to the discussion regarding municipal policing costs;
- Municipalities in Metro Vancouver with similar characteristics to UEL, specifically the City of White Rock and the District of West Vancouver; and
- Neighbourhoods in the City of Vancouver, as part of the inclusion scenario, specifically West Point Grey and Shaughnessy.

The UEL assessment base is largely residential at 97 percent, with the remaining 3% assessment base being in Class 6 - Business and Other category. The City of White Rock was chosen as a comparator as it is a compact urban community with a primarily residential assessment base (95% residential, 5% business). In addition, it is adjacent to a larger municipality (City of Surrey) along a contiguous boundary, and it shares some regional services as part of Metro Vancouver (e.g. sewage treatment). The District of West Vancouver was selected as it also has a primarily residential assessment base (97% residential, 3% business) and it has a high average single family assessed property value. By contrast, the City of Vancouver is less weighted towards its residential assessment base (80% residential, 19% business).

4.2 RECAP OF SERVICES

Figure 16 provides a recap of the various providers of service delivery to UEL residents under each of the governance scenarios.

FIGURE 16. SERVICE DELIVERY BY GOVERNANCE SCENARIO



4.3 EVALUATION OF MUNICIPAL GOVERNANCE SCENARIOS BY SERVICE

Based on the background review, analysis, and discussions with key interested groups throughout the Study, there is a better understanding of the potential impacts and key future considerations for each of municipal governance scenarios. Some of these impacts result from the period of transition from the current situation to either an inclusion or incorporation model. Other potential impacts of interest within the community would be based on financial considerations. Finally, given that one of the key drivers for this Study was the current challenges with respect to representation and decision-making, the evaluation will consider accountability in the governance process.

The following section provides a detailed review and evaluation for a number of local services within the context of the two municipal governance scenarios. In order to provide a framework for evaluation, the following characteristics have been selected upon which to measure the impact:

- **EASE OF TRANSITION** – compared to the current situation, what is the relative ease to which the service can transition to the new governance model? This could include a number of characteristics, including: physical (moving people, buildings, and equipment), administrative (shifting policies, regulations, and systems) and psychological (transfer of decision-making authority, historical knowledge, and political will).
- **FISCAL EFFICIENCY** – how does the governance scenario compare with the current situation in terms of the most effective use of resources for service delivery? This is not necessarily about a total dollar value savings, but about relative financial efficiency, and can take into consideration economies of scope and scale, effective use of capital and resources, and timely and more streamlined decision-making processes.
- **ACCOUNTABILITY** – compared to the current situation, how strong is the ability for the community to have their input taken into consideration in the decision-making process? How accountable is the elected official(s) to the electorate, and what is the community's level of influence and authority in the decision-making process for that service?

The evaluation is being considered from the perspective of the organization, rather than from the individual taxpayer or the provincial government. It utilizes a primarily qualitative evaluation scale – based on low, medium, medium-high, and high – with a higher evaluation being considered relatively better ranked than its municipal counterpart.

By reviewing and evaluating each service individually, the evaluation considers how each of the two municipal governance structures might deliver the service that best meets the needs of current and future UEL residents and taxpayers, as well as address the governance needs of community through improved decision-making tools.



4.3.1 POLICE

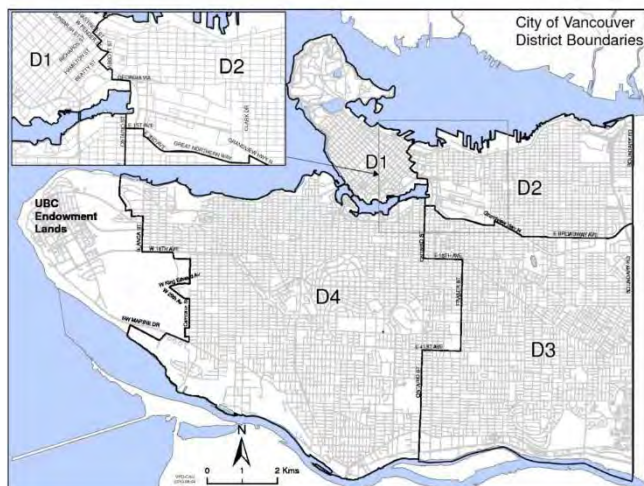
As noted in the Service Highlights, policing service to both UEL and UBC is currently provided through a contract with the RCMP, under the Provincial Police Service Agreement between BC and Canada. Police services to both UEL and UBC are provided by 17 RCMP officers shared between the two communities, located at the University RCMP detachment on Wesbrook Mall at UBC. Additional specialized support to the local detachment is provided by E-Division, as required.

A number of key considerations and decision pathways would have to be taken into account with respect to the delivery of a potential new municipal governance model at UEL, as well as how the remaining police service would be provided to UBC.

Inclusion Considerations

For police services, inclusion of UEL into the City of Vancouver would involve switching the service from being provided by the RCMP (University Detachment, 2990 Wesbrook Mall) to the Vancouver Police Department (VPD). VPD Headquarters is located at 2120 Cambie Street, and it operates with approximately 1,350 officers and over 400 civilian employees with an annual budget of over \$250 million.⁶ VPD divides the City of Vancouver into four geographic service areas (see **Figure 17**), of which UEL would likely be added as part of “District Four”. Musqueam Nation is located on the southwest corner of District Four, to which VPD currently provides policing to Musqueam through a service agreement. Based on a high-level review of existing resources and call volumes, and discussions with key service providers, the addition of UEL should have a nominal impact on the staffing and transition requirements on VPD (although additional analysis should be undertaken in the future).

FIGURE 17. VPD GEOGRAPHIC SERVICE AREAS



Under this governance scenario transition, UBC residents would likely retain its policing service from the RCMP staff remaining at the University RCMP detachment, although the number of required officers may need to be reviewed based on the removal of UEL residents from the service boundary and funding formula. It is outside the scope of this Study to determine the potential transition impacts of policing service to UBC as part of this municipal inclusion scenario.

Ease of Transition = medium-high.

With respect to fiscal efficiency, municipal policing is funded as part of annual municipal property taxation for City of Vancouver taxpayers. While the transition process of paying for policing would be relatively simple, the cost of policing per capita would be more than UEL residents currently fund, due to the level and complexity of the service, and the fact that City of Vancouver taxpayers provide 100% of policing costs for its independent municipal police department. The policing budget for the City of Vancouver in 2021 was approximately \$322 million, representing approximately 21% of the City's total budget.⁷

Fiscal Efficiency = medium-high.

With respect to accountability, UEL residents and businesses would still have 24/7 access to policing services, although it would come from a much larger organization with potentially competing call volumes. That said, VPD may also be able to provide more specialized support services to UEL residents given its sheer size and level of expertise and sophistication. VPD also operates a Community Policing Centre (CPC) in Kitsilano-Fairview, where volunteers and police officers meet with residents and business owners to discuss concerns and crime prevention. Finally, VPD is directly accountable to the Vancouver Police Board, who provides oversight and governance of policing. The Vancouver Police Board is comprised of the Mayor of Vancouver as chair, one person appointed by the municipal council, and up to seven people appointed by the Lieutenant Governor in Council.⁸

Accountability = medium-high.

⁶ City of Vancouver, Vancouver Police Department website, www.vpd.ca

⁷ The Canadian Press via Vic News, www.vicnews.com, March 15, 2022

⁸ City of Vancouver, Vancouver Police Department website, www.vpd.ca

Incorporation Considerations

The policing model under the municipal incorporation scenario is more complicated, than the inclusion scenario, as there is a significant trigger when a community's population exceeds 5,000 residents (this is the only service that has a differential between the short term and long-term (at an estimated population of 7,200 in 2050). As such, two values will be provided for each evaluation criteria, representing the initial impacts and medium-term impacts as the community population grows to over 5,000 residents.

Under the municipal incorporation scenario, UEL, with an initial population of approximately 3,200, would continue to receive policing services under the provincial police services model (i.e. contract with the RCMP). Once UEL (as an incorporated municipality) reaches a population of 5,000, the Police Act states that municipalities must provide their own law enforcement by:

- Forming their own police department
- Contracting with another existing police department
- Contracting with the provincial government for RCMP police services⁹

As an incorporated municipality, once UEL reaches this population threshold (based on Statistics Canada Census data), it has a number of options with respect to the policing delivery model. The first could be an integrated detachment with UBC, whereby the municipal and provincial RCMP units would continue to work in the same building. An example of this is the North Vancouver Detachment, consisting of North Vancouver City, North Vancouver District and provincial RCMP units all within the same building. Another potential delivery model could be a contract with the Vancouver Police Department. This could even go as far as a joint relationship, whereby one police force services two communities. An example of this is the Victoria Police Department, which provides joint service to both the City of Victoria and Township of Esquimalt, with both mayors sitting as co-chairs on the Police Board. Yet another delivery model could be an independent municipal police department, of which there are eleven (11) in the province. This would

be rare for a small municipality to undertake, with the smallest independent police force being the City of Nelson at approximately 10,500 population.

While there are a number of transition considerations at the 5,000 population threshold, during the incorporation of UEL (at a population of 3,200), the ease of transition of police services are initially high, as there would no change to the current situation. The transition will become more complex as the census population exceeds the 5,000 population threshold, and service delivery decisions are to be made.

Ease of Transition = high (initial), medium (at 5,000 population threshold)

With respect to financial impacts, currently UEL is levied a separate Police Tax based on a rate per \$1,000 of assessed value by property class. In 2020, this amount was calculated at approximately \$284,000 based on **Table 9** below.

TABLE 9. CURRENT UEL CONTRIBUTION TO POLICING SERVICE (RCMP)

Class	Police Tax Rate	Police Tax Revenue
1 - Residential	0.0691	\$263,038
2 - Utilities	0.2417	\$ 569
6 - Business and Other	0.1692	\$19,443
8 - Rec / Non Profit	0.0691	\$1,142
TOTALS		\$284,193

For electoral areas and municipalities with census populations under 5,000, the province is responsible for providing police services, and charges a levy for a portion of those police costs. As an example, the District of Lantzville with a 2016 census population of 3,605 paid approximately \$274,000 in policing costs in 2021¹⁰. This is very similar to what UEL residents and taxpayers are currently levied. Based on the current funding formula, municipal police tax rates (under 5,000 population) are calculated at \$0.10 higher than electoral area police tax rates, in recognition that an element of the provincial rural tax rate also funds policing in rural areas. The recoverable police costs are based one-third on population and two-thirds on assessed value, so the municipal police tax rates different in every municipality and electoral area.

⁹ Municipal Policing, Government of BC website,

<https://www2.gov.bc.ca/gov/content/justice/criminal-justice/policing-in-bc/the-structure-of-police-services-in-bc/municipal>

¹⁰ LGDE and individual local government financial statements

When the Police Tax for small communities and electoral areas was introduced in 2005, this meant an approximately 50% reduction in police tax rates for the UEL and UNA. Under the incorporation scenario, based on the population and assessed values of the UEL, the Police Tax has the potential to increase significantly (i.e. over 100%). Additional analysis would have to be undertaken to refine this potential financial impact.

Once a municipality exceeds a census population of 5,000, it becomes responsible for 70% of the annual police costs as well as 100% of civilian support staff and detachment buildings. For reference, although not yet near the 5,000 population threshold, the District of Lantzville estimates its policing contribution to be approximately \$714,000¹¹. For additional reference, **Table 10** below provides financial information for six municipalities who recently reached the 5,000 population threshold, with 2019 estimated annual policing costs ranging from \$420,000 to \$1,120,000.

TABLE 10. ESTIMATED MUNICIPAL POLICING COSTS, COMMUNITIES OVER 5,000

Community	2016 Census Population	Census Year exceeding 5,000	Estimated Annual Policing Costs (2019)	Notes
Fernie	5,249	2016	\$ 915,000	
Armstrong	5,114	2016	\$ 700,000	Estimate only, additional \$421,500 required over base costs
Osoyoos	5,085	2016	\$ 900,000	
Creston	5,351	2011	\$ 1,120,000	8 officers @ \$140,000 each
Peachland	5,428	2011	\$ 726,000	Policing reserve established to mitigate the tax impact between 2012-16
Spallumcheen	5,106	2011	\$ 420,000	3 officers @ \$140,000 each

Notes:

(1) Previously, under 5,000 paid around \$250,000 to \$300,000 annually for policing costs.

(2) Policing costs are estimates, as they are recorded under Protective Services in LGDE which includes other expenditures (e.g. fire)

As shown above, policing costs comprise a significant financial component for municipalities that exceed the 5,000 population threshold. Many municipalities prepare for this pending financial impact by putting money into reserves in the years prior to reaching the population threshold. For example, the District of Peachland started putting money into a police reserve in 2002, and as such was able to mitigate the tax impact from the 2011 increase for a period of 5 years afterward.

With an estimated population of approximately 3,200 (2021 Census), UEL as an incorporated municipality may potentially hit the 5,000 population threshold in 2026, based on anticipated development projections in Area D, or if not then likely for 2031 Census. As noted, there will be some initial financial impacts for policing costs as UEL transitions to a small municipality under 5,000, and the new municipality should consider setting aside reserve funds for the additional policing expenditures once it exceeds 5,000.

Fiscal Efficiency = high (initial), low. (at 5,000 population threshold)

In terms of accountability, the municipal incorporation scenario provides a higher level of accountability than the current situation, with regular reporting between the Chief Constable and municipal council. However, municipalities under 5,000 are essentially price-takers, as they have limited say in the level of service or priorities. Above 5,000 municipalities have somewhat more say, with the ability to set annual budgets for

support services and select the policing delivery model. However, the level of influence of municipal Councils on policing service is still rather limited, as the level of service must still be provided under the provisions of the Police Act.

Accountability = medium (initial), medium-high (at 5,000 population threshold).

As shown above, the police model in British Columbia is perhaps the most complicated of services to deliver, given the various taxation rates, cost-recovery models based on population thresholds and incorporation status, and the provincial regulations under the Police Act. Further detailed analysis is required should consideration of either municipal scenario (inclusion or incorporation) be advanced.

¹¹ LGDE and individual local government financial statements



4.3.2 FIRE SERVICE

On October 16, 1995, an agreement for fire services was signed between the Province and the City of Vancouver, by which Vancouver Fire Rescue Services (VFRS) took over the provision of fire services to UEL and UBC for a period of 99 years. All assets were transferred to the City of Vancouver, and the Province provided additional funding for apparatus replacement and other one-time transition costs.

During the term, the Province provides the City the use of the UEL Fire Hall at no cost to the City. In the event the Fire Hall lease is terminated or not renewed, the Province agrees to provide an alternative equivalent space at no cost to the City throughout the term of the agreement. Since the time of the agreement, the UEL Fire Hall is no longer in use.

The new fire hall building, now Vancouver Fire Station #10, is located at 2992 Wesbrook Mall. VFRS currently has 20 fire stations located across the City of Vancouver. In 2013, the cost of this service to UBC and UEL was \$6.24 million paid on a share of resident population, resulting in UEL's share at approximately 7% or \$420,000 annually. This cost has remained the same since 2013.

Inclusion Considerations

Under the municipal inclusion scenario, the operational transition impacts for UEL residents would likely be relatively seamless, as VFRS is currently providing fire service to UEL. With UEL lands no longer part of the original 1995 agreement for fire services, the agreement between the Province and the City of Vancouver will likely need to be reviewed and revised for both language and funding, for the remaining fire service provision to the UBC campus and neighbourhoods. The terms of the fire hall (Vancouver Fire Station #10) could remain largely unchanged (i.e. owned by the Province) as it would still service a large population at UBC.

Ease of Transition = medium-high.

With respect to fiscal efficiency, property owners within the UEL would pay City of Vancouver property tax rates and would be included in the provision of fire service as municipal taxpayers. There would likely be minimal impact to the VFRS budget, whose 2020 operating expenditures were approximately \$142 million with approximately \$9.5 million in revenues (net operating budget = \$132.5 million), as compared to UEL's current share at approximately \$420,000 annually.

Fiscal efficiency = high .

With respect to accountability, while the service provider would not change (i.e. VFRS), as now taxpayers of the City of Vancouver, UEL residents may feel that their voice is more significant when raising potential concerns regarding fire service to City of Vancouver staff and their elected Mayor and Council.

Accountability = medium-high.

Incorporation Considerations

Under the municipal incorporation scenario, there would be a number of key considerations and decision pathways with respect to the provision of fire service. These strategic decisions could include the following:

1. Amend the current agreement between the Province and City of Vancouver to include the new municipality into the fire services agreement in addition to UBC. The terms of the agreement and funding formula would need to be reviewed and renegotiated. VFRS could continue to provide fire protection services to UEL residents on a contractual basis, and the new municipality would pay either the Province or the City of Vancouver directly depending on the terms of the amended agreement.
2. Negotiate a new and separate contract directly between the new municipality and the City of Vancouver for fire protection services. Main fire response could come from either Vancouver Fire Hall #10 at UBC (if permitted within the terms of the agreement with the Province) or alternatively from Vancouver Fire Hall #19 at 4396 West 12th Avenue, about 2.5 km away from Area D.
3. Create a new municipal fire service, involving the establishment of a new departmental structure and fire hall building. This consideration would be the highest risk in terms of service delivery and potential cost (both operating and capital). Most communities of the size of future UEL (~7,300 population) would typically rely on a largely volunteer fire department, which would be challenging at UEL given the community profile and demographics, as well as future development types (e.g. multi-storey towers).

In assessing the above pathways, it seems implausible that the Province would play an active role in establishing a service sharing agreement between two municipalities (i.e. option #1). Moreover, the costs and risks in establishing a new fire department would likely be prohibitively high for a small municipality (i.e. option #3). Therefore, the ease of transition has been identified as “medium” based on the new municipality negotiating agreement for service with VFRS, utilizing Fire Hall #19 for its main fire response (i.e. Option #2).

Ease of Transition = medium

In similar fashion to the pathways noted above, the potential financial implications would vary depending on the service delivery model for fire service. At the highest end of the spectrum would be the creation of a new independent municipal fire department. In addition to the capital costs (buildings and apparatus), the operating costs for fire service for a similar sized community to future UEL (Revelstoke, population 7,547) is approximately \$2.0 million annually, or about \$260 per capita. This is based on 9 career staff and 36 volunteer firefighters (source: City of Revelstoke). Compare this to the current cost of fire protection at UEL of approximately \$420,000 annually. Based on the importance to the community and level of risk associated with creating a new fire department, it is assumed that the new municipality would negotiate a new contract with VFRS for fire service, based on re-negotiated terms.

Fiscal Efficiency = medium.

Under the incorporation scenario, the level of community voice for fire service is generally quite high, as there is a high level of interest from municipal Council. Generally speaking, the local Fire Chief reports regularly to Council during public meetings, given the magnitude of the budget and importance of the service to residents and taxpayers.

Accountability = medium-high.

While the governance model for fire protection is somewhat less complex than policing (i.e. with its population threshold funding formulas), it is nonetheless a significant consideration due to the considerable capital and operating costs, and the high level of regulation, training and expertise required.

4.3.3 EMERGENCY PREPAREDNESS

Under provincial legislation, there is a statutory requirement to provide emergency planning and response. While Metro Vancouver has developed an Emergency Management Plan for Electoral Area A as well as an Emergency Notification System, it does not have the fiscal nor staff resources for direct response in the event of a major emergency. Specifically, the plan notes that “the daytime population of the Point Grey area may approach 100,000 people when UBC is in session. This is greater than most BC cities. However, the limited resources/services of an unincorporated area are all that is available to respond to an emergency.”¹²

In 2021, Metro Vancouver’s budget for Regional Emergency Management was approximately \$229,000. Specifically for Electoral Area A, the 2021 budget for Emergency Planning was \$18,000.

Inclusion Considerations

The City of Vancouver has invested significant resources in emergency planning and management, through its Vancouver Emergency Management Agency (VEMA). Activities include the following:

- Preparation of emergency plans
- Coordination and managing emergency planning with first responders, with a dedicated Emergency Operations Centre (EOC)
- Earthquake Preparedness Strategy (2013)
- Heavy Urban Search and Rescue (HUSAR) Task Force
- Communications and social media updates, including partnership with amateur radio operators (VECTOR)

In 2021, VEMA staff and resources were transferred to the City Manager’s Office and is now part of Corporate Support. Part of this transition includes the transfer of 9.1 FTE staff. The goal of this group remains the same, which is “to increase disaster resilience throughout the community, and build capacity to respond and recover.”¹³

As part of the inclusion scenario, the transition of emergency planning and management would be relatively easy as it is fully functional within the City of Vancouver and would involve adding UEL to its emergency planning.

Ease of Transition = high.

The financial implications would be relatively low as it is part of the property taxation structure for the City of Vancouver.

Fiscal Efficiency = high.

The accountability and benefits to the UEL residents would be relatively high, given the degree of investment from the City of Vancouver into this service, and high level of involvement and communication with community.

Accountability = high.

¹² Metro Vancouver Regional District, Electoral Area A Emergency Management Plan, February 2019, page 8.

¹³ City of Vancouver, 2021 Budget and Five-Year Financial Plan – Part II: Department Service Plans, page C-186.



Incorporation Considerations

As a newly incorporated municipality, UEL would be responsible for local emergency management planning, as well as coordination and cooperation with the regional district, as required under the provincial *Emergency Program Act and Local Authority Emergency Management Regulation*. At the local level, this usually involves creating a bylaw which establishes a committee and/or working group, as well as appointing a coordinator for emergency planning and management, who is often part of the Fire Department staff complement. There would be administrative requirements to set up the emergency management structure for the new municipality and, in addition to the Emergency Program Coordinator, would include the coordination of a number of municipal departments including: fire, police, public works, engineering, planning and administration.

Ease of Transition = low.

The financial impact of the emergency management program would depend on the structure of the Emergency Program Coordinator (i.e. contract or full-time employee), as well as other operating and capital expenditures required to support the program. For example, Bowen Island Municipality (population 3,680) relies heavily on a volunteer-based community emergency response program, with a part-time Emergency Program Coordinator and support from the Fire Chief. Emergency planning is provided as part of the overall Protective Services operating budget (approximately \$905,000 in 2021) which unfortunately does not separate out the specific cost for emergency planning services.

By contrast, in its 2021 budget the District of Oak Bay (population ~18,000) has identified approximately \$133,000 in operating costs for its emergency program, which includes a full time (1.0 FTE) emergency coordinator within the Fire Department. It also identified the need for a number of required planning documents, including an Emergency Communications Plan (\$25,000) and an Emergency Evacuation Plan (\$10,000), as well as a number of capital expenditures including an emergency generator (\$196,000) and emergency program vehicle (\$70,000). Of additional interest is that the District in 2020 incurred approximately \$458,000 in incremental expenditures related to the COVID-19 pandemic, of which nearly \$100,000 was recoverable and related to the cost of operating the District's Emergency Operations Centre (the resulting net COVID-19 incremental expenditures in 2020 was approximately \$358,000).

Fiscal Efficiency = medium.

For most smaller municipalities across the province who have established their emergency programs, there is usually a high level of interest, involvement and communication with the community, residents and business owners. As such, there is generally a high degree of accountability in order to establish, operate and maintain the local emergency program.

Accountability = high.

4.3.4 MAJOR / LOCAL ROADS

UEL is serviced by a number of major roads which generally traverse East-West between the City of Vancouver and UBC, including: NW Marine Drive, Chancellor Drive, University Boulevard, 16th Avenue and Marine Drive (see **Figure 18** below). In addition, local roads within UEL provide access to residential neighbourhoods (Areas A, B, C and D) as well the local commercial precinct at University Boulevard and Western Parkway. Currently within UEL, there are approximately 30 lane-kilometres of major roads, maintained by the Province through a contract with Mainroad Lower Mainland Contracting, and an additional 34 lane-kilometres of local roads, maintained by UEL Administration.

FIGURE 18. MAJOR AND LOCAL ROAD NETWORK



As part of either municipalization scenario, all roads currently within UEL would become municipal roads, with the responsibility for all operations, maintenance, and capital renewal vested with the municipality. Additional details for each scenario are provided in the next section.

As a unique layer to Metro Vancouver's transportation system, Translink contributes funding towards the region's Major Road Network (MRN), which includes 675 lane-kilometres of major arterials (see callout box below), which includes roads and bridges as well as some cycling and pedestrian projects. Annual funding is provided on a set rate per lane-kilometre, which is adjusted annually for inflation and actual costs.





TransLink works with municipalities within the region to plan and maintain the region's Major Road Network (MRN). The MRN consists of major arterial roads throughout the region which carry commuter, transit, and truck traffic. The 675-kilometre-long (419 mi) network serves to connect the provincial highway system with local municipalities' road networks. TransLink contributes funding for the operation and maintenance of the MRN, but ownership and operation of the roads remain with the local municipalities. Road, cycling, and pedestrian improvement projects in the MRN are also partially funded by TransLink. As a part of the MRN, TransLink also owns and maintains five bridges within the region.

(source: Translink)

Inclusion Considerations

As shown in **Figure 18** above, the current MRN routes that are adjacent to UEL within the City of Vancouver include: 10th Avenue / University Boulevard, and Southwest Marine Drive. For the inclusion scenario, it is assumed that the MRN would be extended to include these routes to its new western municipal boundary, adjacent to UBC. All other roads would be vested with the City of Vancouver. With respect to ease of transition, incorporating the UEL transportation network into the City of Vancouver should be relatively seamless from an operational perspective. An assessment should be undertaken prior to transition to determine the condition of the roads, and any upgrades/repairs required by the Province (i.e. MOTI).

Ease of Transition = medium-high.

The City of Vancouver currently maintains approximately 4,250 kilometres of roads within its boundaries, with 2020 expenditures (Transportation and Transit) estimated at \$131.1 million, or approximately \$30,800 per kilometre. Adding an extra 64 lane-kilometres of roads to the City of Vancouver's network would only add approximately 1.5% to the network, and just under \$2.0 million to the Transportation and Transit budget based on the calculated rate per kilometre above. Based on this relatively small addition of transportation infrastructure, it is unlikely that additional capital equipment will be required by the City of Vancouver to maintain the additional roads at UEL. Similarly, it is unlikely that additional operational personnel will be required to operate and maintain the additional road infrastructure. However, the condition assessment of the current road network (see above) will help to determine the expected life expectancy of the road, cycling and sidewalk network and any future financial impacts.

Fiscal Efficiency = medium-high.

Currently, the level of service for road operations and maintenance is determined by the provincial MOTI, and written into the contract with third-party maintenance contractors. Under the inclusion scenario, those level of service decisions would be made at a more local level, through City of Vancouver staff and endorsed by Council through the municipal budgeting process. Therefore, the community voice is much more prominent in the inclusion scenario, however, the size and scale of the transportation program within the City of Vancouver may prove somewhat less responsive than in a smaller community.

Accountability = medium-high.



Incorporation Considerations

As noted above, a newly incorporated municipality would be responsible for the ownership, regulation, operations and maintenance, and capital refurbishment and replacement of the road network with UEL. Similar to other transferred services (e.g. fire, police), the new municipality could consider a number of service-delivery models for this service, including:

- Negotiate a contract with the current road maintenance provider (i.e. Mainroad Lower Mainland Contracting) or potentially tender out road maintenance services to another contractor through a public-tender process, including setting the desired level of service.
- Negotiate a contract with City of Vancouver for road maintenance services. The level of service (LOS) would likely be consistent with the current City's LOS for other similar roads within the City of Vancouver.
- Establish a Public Works Department to provide road maintenance services directly through the new municipality. Level of service standards would be set by the new municipality, and required capital equipment would be purchased or leased by the new municipality.

Based on a number of previous incorporations in British Columbia, there is often a transition period (especially for services such as transportation and road maintenance) to assist in the process of establishing and growing the service as the new municipality builds internal capacity. Therefore, while the transition effort required in this instance will depend on the service delivery model chosen, there will likely be an "easing in period (e.g. up to 5 years) to assist the new municipality in the transition process.

Ease of Transition = medium.

Along with protective services, transportation generally represents one of the highest financial expenditure categories in any municipality. As identified in the inclusion scenario, the City of Vancouver's expenditures for transportation and transit in 2020 totalled approximately \$30,800 per lane kilometre. This would equate to approximately \$2.0 million annually for UEL, based on 64 lane-kilometres of major and local roads. However, this cost is based on a much larger municipality with opportunities for economies of scale. A more appropriate comparison to the incorporation scenario would be the City of White Rock, with 82 lane-kilometres of roads. In 2020, the City of White Rock's transportation and transit budget was approximately \$5.84 million, or about \$71,240 per kilometre. Based on UEL's 64 lane-kilometres of roads, that would result in a "higher range" budget of approximately \$4.5 million annually. Additional research and analysis would be required to narrow down these potential costs, but nonetheless the financial implications could be significant to the newly incorporated municipality.

Fiscal Efficiency = low.

Under the incorporation scenario, the ability for local residents and taxpayers to reach out to their municipal councillors is high. As transportation issues are often a topic of high interest to community members, this may be an important consideration when considering a potential future governance model for transportation and transit.

Accountability = high.



4.3.5 TRANSIT

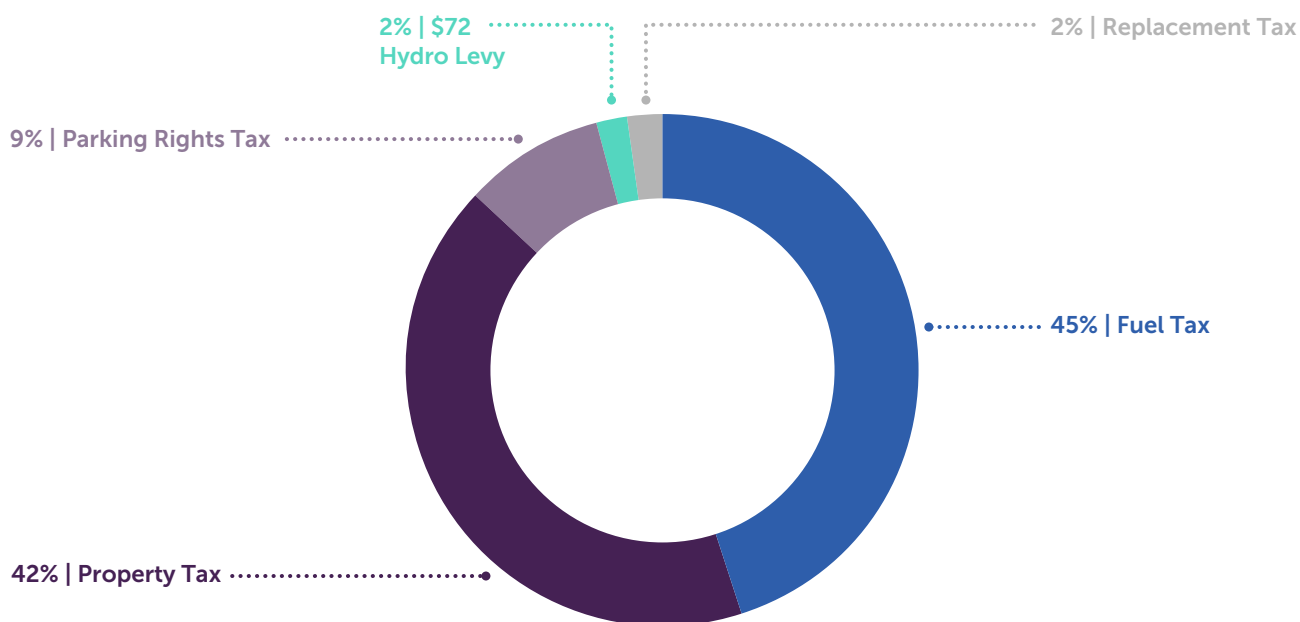
Transit operations within Metro Vancouver are provided by Translink. In 2019, approximately 150,000 daily trips were made to and from UBC Point Grey campus. The majority of these trips are made using the 99 B-Line rapid bus route, along the West Broadway corridor. The 99 B-Line is the busiest bus route in Canada, with an average 2018 weekday ridership of just under 56,000 passengers (source: Translink). Based on this current and growing demand, in 2020 the Province of BC announced the construction of the Broadway Subject Project, which is a 5.7 km extension of the Millennium Line from VCC-Clark Station along West Broadway to Arbutus Street. Construction has commenced on this new subway line and six underground stations, and is anticipated to be completed and open for operation by 2025.

Looking ahead, the Province has identified the potential need to continue the Millennium Line extension all the way to UBC. If it is fully completed, it is estimated that by 2050, a Millennium Line UBC Extension could carry 130,000 people per day, more than double the number of passengers on the current 99 B-Line corridor (source: Translink).

The governance model for Translink includes the Board of Directors, Mayor's Council on Regional Transportation, and an Independent Screening Panel. Most notable to these municipalization scenarios, the Mayors' Council on Regional Transportation is composed of the 21 mayors in Metro Vancouver, the Chief of the Tsawwassen First Nation, and the Electoral Area A Director.

Funding for Translink's operations comes from three main revenue streams – taxation revenue (44%), transit revenue (33%) and government transfers (19%), with other revenue sources making the remaining 4% (source: Translink). Specific to the municipalization scenarios, in 2019 property taxation made up the largest source of taxation revenue at approximately 42% (see **Figure 19**).

FIGURE 19. BREAKDOWN OF TAX REVENUE (2019) FOR TRANSLINK



In 2019, Translink's total revenue stream was approximately \$2.1 billion with total revenue from municipal property taxation at approximately \$400.5 million (42% of 44%, or approximately 19% of total revenue).

Inclusion Considerations

The City of Vancouver is the largest contributor to Translink, based on population, assessment base and property tax revenue. Under the inclusion scenario, UEL would be represented on the Mayor's Council by the City of Vancouver. No change to the current governance structure would be required on the Mayors' Council.

Ease of Transition = high.

As a taxpayer within the City, the contribution formula of property taxes from the City of Vancouver to Translink would be adjusted accordingly based on the additional assessment base from UEL properties.

Fiscal Efficiency = high.

Given the importance of the Broadway Subway project as well as the City of Vancouver's seat on the Mayors' Council, any potential impacts to UEL residents if they were part of the City of Vancouver would likely be given some prominence.

Accountability = high.

Incorporation Considerations

If UEL were to incorporate as the 22nd municipality in Metro Vancouver, there would need to be an additional seat added to the Mayors' Council on Regional Transportation. It has not been determined how this could impact the voting system, bylaws, or other procedural components within the Translink governance structure, but that would need to be taken into consideration as part of the incorporation scenario.

Ease of Transition = medium.

As a new municipality, UEL will have to contribute its portion of property taxation towards Translink, based on the formula used with the other municipal partners. It is outside the scope of this project to analyze the potential financial impacts of incorporation to the Translink funding model. However, if the method of contribution is based on assessment values (land and improvements), then UEL residents would likely be contributing, on average, a larger amount per property than other jurisdictions.

Fiscal Efficiency = medium.

Although the newly incorporated municipality will have a seat on the Mayors' Council, it will likely be seen as a smaller voice than other larger communities within the region (e.g. Vancouver, Surrey, Richmond).

Accountability = medium-high.

4.3.6 UTILITIES (WATER, SANITARY SEWER, AND STORMWATER)

Currently, underground utilities are provided to UEL residents and businesses through a number of service-delivery methods, as outlined in the UEL Service Highlights ([Appendix C](#)).

The relationship between the community and Metro Vancouver would fundamentally change under either municipalization scenario. The UEL, through their membership as part of Electoral Area A, currently has one vote on Metro Vancouver's boards. However, the UEL Administration also possesses additional influence on regional matters, should it choose to be leveraged, based on the authority which the Province has over the Regional District. Under a municipalization scenario, the local government would no longer have the ability to influence, perhaps unduly, matters of both local and Provincial interests.

A short summary of the potential impacts of municipalization for each service are as follows:

- Water – UEL currently purchases bulk water through the Greater Vancouver Water District (Metro Vancouver), and re-sells it to UBC. Financial and service-delivery decisions will need to be made with municipalization scenario.
- Sanitary Sewer – connection to the trunk sewers of the Greater Vancouver Sewerage and Drainage District (Metro Vancouver) under both scenarios. Sewer separation plans are ongoing, in line with the requirements of Metro Vancouver's Integrated Liquid Waste and Resource Management Plan (ILWRMP). Direct funding could be applied under either municipalization scenario.
- Stormwater – An Integrated Stormwater Management Plan (stage 1 and stage 2) report was completed for the UEL in 2017. Current and ongoing challenges are due to drainage systems located under major roadways under the jurisdiction of MOTI, which may be alleviated somewhat under either municipalization scenario. As a municipality, it will be easier to implement the ISMP under either scenario versus the status quo.

The management of stormwater within Pacific Spirit Park has a significant impact on ecosystem health and protection of life and property within the UEL. The community would retain influence, albeit limited to vote count on the Metro Vancouver board, under either municipalization scenario over management of stormwater within the park.

Inclusion Considerations

The City of Vancouver has very well established Engineering and Public Works departments.

As such, the transition of utilities from UEL to City of Vancouver should be relatively smooth, from an operational perspective. The transitional effort was deemed medium for water due to potential differences in utility billing and operations, and the same for stormwater given the City of Vancouver's sophisticated approach through its Rain City Strategy and Green Rainwater Infrastructure program.

Ease of Transition = medium (water), medium-high (sanitary sewer), medium (stormwater).

The City of Vancouver is unique in their vertical integration of service delivery. This means that the City provides many services in-house which would often in other communities be delivery through contracted providers which is particularly evident in their engineering and public works department with construction crews completing sidewalks, paving, and utility installation. The City chooses to operate in this manner based on their governance philosophy but it is also only an efficient option as a result of the size and resources at the disposal of the City.

As previously noted, UEL pays a bulk water rate markup to Metro Vancouver (because it is not part of the regional water service), but also generates a revenue stream from its water administration charge to UBC. Following either municipalization scenario, the Metro Vancouver water markup would likely be removed, as both municipalities would be a member of the Greater Vancouver Water Board. With regards to the UBC water administration charge, the City of Vancouver would determine whether, or more aptly at what cost, this would remain following inclusion. The level of service provided to UBC would likely improve due to the robust response and maintenance resources at the City's disposal. The financial implications for sanitary sewer and stormwater are set at medium/high due to the potential impacts of the sewer separation program.

Fiscal Efficiency = medium-high (water), medium (sanitary sewer and stormwater).

For all of the utilities, the accountability under the inclusion scenario is assessed as “high”. Residents will have access to City of Vancouver staff with respect to billing and service inquiries, and will be invited to comment on any future infrastructure plans and strategies affecting UEL.

Accountability = high (water, sanitary sewer and stormwater).

Incorporation Considerations

UEL Administration currently operates a small but efficient public works department for local utilities. From an operational perspective, transitioning UEL staff to a newly incorporated municipality for sanitary sewer should require relatively low effort. Stormwater will be more challenging given the requirement to navigate maintenance of the drainage from major roads and implement the Integrated Stormwater Management Plan.

While the UEL Administration current provides a reliable and safe water supply to UBC, there are some significant inherent risks with having a small municipality, with a proportionally small public works department, responsible for the supply of water to a significantly larger population at UBC. The current water supply arrangement would be reviewed by both Metro Vancouver and UBC prior to the UEL Administration transitioning operations of the system to a new municipality. Depending on the outcome of that review, an alternative arrangement may be necessary.

Ease of Transition = high (sanitary sewer), low (water, stormwater).

The financial implications to incorporation are similar to the inclusion considerations noted above, especially the “medium” financial implications for sanitary sewer and stormwater due to the impacts of the sewer separation program.

The financial impacts related to the water system are potentially high if the UBC markup revenues no longer exist for the community, given the smaller number of water ratepayers to absorb the loss in revenue. Similarly, should the arrangement remain that supply of water to UBC is the responsibility of the new municipality, this will require significant resources for operations, maintenance and emergency response.

Fiscal Efficiency = medium (sanitary sewer and stormwater) and low (water)

The accountability under the incorporation scenario is assessed as “high” for sanitary sewers and “medium” for both water and stormwater. Residents will have access to staff at the new municipality with respect to billing and service inquiries, and will be invited to comment on any future infrastructure plans and strategies affecting UEL.

Both water and stormwater were assessed as “medium” since the new municipality would have less influence on matters based on their vote count on the Metro Vancouver board. Similarly, it is noted that UBC/UNA residents would also have less accountability in their water supply should the current arrangement remain.

Accountability = high (sanitary sewer), medium (water and stormwater).

4.3.7 WASTE MANAGEMENT AND RECYCLING

As noted in the UEL Service Highlights, currently bi-weekly garbage collection for single family neighbourhoods is provided by UEL Administration, with multi-family collection provided by private contractors. UEL also collects green/organics on a weekly basis, with recycling service (under Multi-Material BC) provided through a third party service provider (Emterra).

Inclusion Considerations

The City of Vancouver has a similar waste management and recycling program to the one run by the UEL. The City collects residential garbage, food scraps and yard waste for single family homes and duplexes, with most apartment complexes using private contractors. Recycling services are provided through a third party service provider (GFL Environmental). The transition effort should be relatively straight-forward, although there will be the need to set up new accounts and potentially negotiate with the recycling service provider.

Ease of Transition = medium.

Given the level of service is similar between the City of Vancouver and UEL, it is anticipated that the financial impacts of inclusion should be relatively minor, with UEL residents paying the City of Vancouver rate for waste management and recycling. In 2021, the residential garbage (biweekly) rate was based on canister size, and ranged from 75L (1 dwelling unit) at \$88 per year to a 360L bin (5 dwelling units) at \$172 per year.

Fiscal Efficiency = medium-high.

Similar to utilities, the accountability under the inclusion scenario for waste management and recycling is assessed as "medium". Residents will have access to City of Vancouver staff with respect to billing and service inquiries, and will be invited to comment on any future waste management plans and strategies affecting UEL.

Accountability = high.

Incorporation Considerations

Under the incorporation scenario, the new municipality would likely transfer over existing waste management operations and administration over from UEL. As such, the transition effort required is anticipated to be relatively straight-forward.

Ease of Transition = medium-high.

For this scenario, the financial implications at a purely operational level are anticipated to be relatively minor, as the current system would be carried over from UEL. However, it is understood that the current waste collection equipment at UEL is at the end of its useful life, and is planned to be replaced. For that reason, the overall financial impacts have been assessed as "medium" given the potential cost for equipment replacement.

Fiscal Efficiency = medium.

As noted above, the community voice for waste management and recycling under the incorporation scenario is assessed as "high". Residents will have access to staff at the new municipality with respect to billing and service inquiries, and will be invited to comment on any future waste management plans and strategies affecting UEL.

Accountability = high.



4.3.8 PARKS AND RECREATION

The majority of park land at UEL is part of Pacific Sprit Regional Park which is owned and maintained by Metro Vancouver Regional District. It is assumed for the purposes of this analysis that this will not change under either municipalization scenario.

Currently in UEL there is only one local park, Jim Everett Memorial Park, located on Dalhousie Road in Area D. In addition, there is the Bridle Path trail along Western Parkway (as part of the road right-of-way) and an open space area within the Blanca Bus Loop at Chancellor Blvd and Blanca Street (as part of the road right-of-way). Finally, there is an off-leash dog area at Spanish Banks (unsurveyed Crown Land), which is currently leased to the City of Vancouver.

As part of the conditions for approval of the Ielərn development in Area D, the Ielərn Forest Park which totals 3.1 hectares (7.7 acres) of park land, has been dedicated to the Province, with ongoing maintenance and operations by UEL Administration.

There are no recreation facilities in UEL. Currently, there is a community space in University Village that is available for rent to the CAC and others for meeting and events. As part of the Ielərn development, Musqueam Capital Corporation (MCC) will build a community centre and turn it over to the Province to operate for the benefit of UEL residents. Funding for operations and maintenance of the community centre is anticipated to come from a combination of taxation and an annual fee for member for each of Ielərn market residential properties. Other UEL residential households may acquire additional membership on a voluntary basis, and other UEL multi-family residential properties may establish similar covenants.

Inclusion Considerations

The City of Vancouver owns and operates a significant number of parks and recreation services within its municipal boundary, including:

- 250 parks, including the 404 ha (1,000 acre) Stanley Park;
- Destination gardens;
- 24 community centres with swimming pools, arenas and playing fields; and
- Three championship golf courses.¹⁴

As part of the inclusion scenario, adding the UEL local parks and community facilities is anticipated to take minimal transition effort. However, any Provincial Crown land to be transferred to the City of Vancouver as park may require legal subdivision, raised title, and First Nations consultation.

Ease of Transition = medium.

Municipal parks and recreation services are funded through general taxation, supplemented by user fees for specific facilities and programs. As such, the financial implications to inclusion with respect to parks and recreation are anticipated to be low, even though the relative cost of municipal parks and recreation will be higher than the current cost under the rural property tax rate.

Fiscal Efficiency = medium-high.

The City of Vancouver is unique in that parks and recreation are governed via a separately elected Parks and Recreation Board, i.e. separate from municipal Council. The Park Board is comprised of seven elected commissioners, who are elected at large for a four-year term. Even though it is a separate governance structure, the Park Board meetings are open to the public, and staff are accessible to the public for any concerns regarding park operations or future plans.

Accountability = medium.

Incorporation Considerations

As a newly incorporated municipality, all local parks and community facilities would likely transfer ownership from the Province to the new municipality. Any lands which are not on legal parcels (i.e. within road rights-of-way) may need to be subdivided with fee simple title raised on the lands. In addition, Indigenous and First Nations interest will need to be addressed before transferring any Crown lands to the new municipality. Finally, any legally binding covenants (e.g. Ielām community centre construction) will need to be reviewed to ensure proper transfer to the new municipality.

Ease of Transition = medium.

Currently, local parks are managed within the overall UEL Administration operating budget, as the number of facilities is limited (i.e. one local park). Under the incorporation scenario, as the community grows and develops there will likely be the need for a separate Parks and Recreation Department to maintain the local parks, boulevards, community centres and other facilities as appropriate. Funding would come primarily through municipal property taxation, supplemented by potential user fees as appropriate.

Fiscal Efficiency = medium-high.

In most municipalities across the province, the public generally takes a strong interest in parks and recreation, including levels of service, facilities provided, maintenance levels, and program costs.

Accountability = high.

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4.3.9 PLANNING AND DEVELOPMENT SERVICES

Under its current regulatory framework, the *University Endowment Land Act*, a number of planning documents have been approved in recent years by the Minister of Municipal Affairs for the UEL, including:

- Land Use, Building and Community Administration Bylaw (1989, as amended)
- Official Community Plan (2005, as amended)
- Works and Services Bylaw (2016)
- Block F / Ielær development rezoning (2016)
- Area D Neighbourhood Plan (2021), as an Appendix to the OCP
- UEL Fees Bylaw (2022)

These plans set the framework for future development which is anticipated to add approximately 2,300 people over the next 10 years, primarily within Area D. In fact, concerns with respect to the current planning and development process are one of the key issues in exploring alternate governance scenarios.

Inclusion Considerations

One of the current challenges to the status quo is the lack of staff and processes to support the more complex and comprehensive planning applications, as is likely to occur as development in Area D continues. As part of the inclusion scenario, UEL lands would become part of the City of Vancouver, and would transition to the planning and development regulations and processes under the City of Vancouver's Planning and Development Services Department. Typically with any inclusion scenario, all existing land use plans and regulations (e.g. OCP, Zoning) remain in force and effect until such time as they are amended/revised to fit within the other community's planning framework. The timing of this transition is dependent on the level of complexity to coordinate the two sets of documents / processes, and the willingness of the community to support the reconciliation of the plans.

Ease of Transition = medium.

Under the inclusion scenario, UEL will have access to the current staff complement and resources to assist with land use planning, development applications, and building inspection. While the consultant met with key staff from the City of Vancouver, it is unknown at this time whether their Planning Department has the capacity to absorb the anticipated land use applications in UEL with its existing staff complement, and may have to hire additional staff to address the additional development application workload.

Fiscal Efficiency = medium/high.

The City of Vancouver has both legislated requirements (under the *Vancouver Charter*) as well as best practices for community engagement and public input as part of the various planning processes. The City has a number of plans at the neighbourhood level (e.g. Mount Pleasant, Marpole, Norquay Village), so it would not be unreasonable to consider UEL as a neighbourhood. The City's development processes often involve a number of advisory groups, including the Vancouver City Planning Commission, Vancouver Heritage Commission, Urban Design Panel, and Development Permit Board Advisory Panel. Any amendments to statutory planning documents (e.g. Vancouver Plan, Zoning Bylaw) would require a public hearing. Given the sheer number and magnitude of development activity, accountability has been evaluated as "medium-high" rather than "high" when compared against incorporation.

Accountability = medium-high.

Incorporation Considerations

Given that planning and development was one of the key issues with respect to governance challenges, it is likely that one of the first steps as part of the newly incorporated municipality would likely be to establish a Planning and Development Services Department. Not only would this enable the establishment of some of the required statutory positions (e.g. Approving Officer, Board of Variance), but would help to establish a planning framework to guide future development applications and procedures.

Most of the existing land use plans could likely be converted from the *University Endowment Land Act* to the Local Government Act and Community Charter, which is the legislation which governs all local governments in British Columbia except for the City of Vancouver.

Ease of Transition = medium.

The potential financial impacts of planning and development under the incorporation scenario will be dependent on a number of factors, including: level of staffing (both in-house staff and/or contracted services); reliance on professional assurance (e.g. code compliance); and application fee structure and other cost recovery mechanisms (such as DCCs). Given the level of development activity anticipated over the next 10 years, the financial implications will likely be relatively significant in order to provide support and service in a timely manner.

Fiscal Efficiency = medium.

Given the level of interest from the community on current development applications, it is anticipated that planning processes and advisory groups would be established to ensure appropriate community engagement and input. As per the Local Government Act, any local government which has adopted a Zoning Bylaw must also establish a Board of Variance. This would be something new for the UEL community. In addition, it would be prudent to establish an Advisory Planning Commission and an Urban Design Panel, which exists somewhat in its current form through the CAC and ADP respectively. Any amendments to statutory planning documents (e.g. Official Community Plan, Zoning Bylaw) would require a public hearing. It is noted that amendments to the OCP are currently being considered for enactment which may impact the CAC and ADP.

Accountability = high.

4.3.10 ADMINISTRATION AND BYLAW ENFORCEMENT

The UEL Administration Office / Public Works Yard is located at 5495 Chancellor Boulevard, on approximately 10 acres of Crown land. The entire UEL Administration consists of 20 FTEs that provide services related to both public works (10 FTE) and general administration (10 FTE), the latter of which includes the Manager and two Deputy Managers, one in administration and one in public works.

While UEL has the ability to create bylaws within its sphere of authority, one of the ongoing challenges is its ability (or lack thereof) to enforce certain regulations which fall outside UEL's regulatory control. One example is the inability to issue parking tickets on roads. The UEL is only able to tow vehicles, as it does not have the authority to use the Municipal Ticketing Information (MTI) system like all other local governments are able to. Under either municipalization scenario, ownership and jurisdiction of local roads becomes vested with the municipality, thereby giving them the authority to regulate and enforce activities within the roadway, such as parking, and issue tickets through the MTI system.

Inclusion Considerations

The inclusion scenario will require the review and transition of all UEL administrative Bylaws and procedures, so that they conform to City of Vancouver administrative regulations. Some of the Bylaws will be repealed in favour of City of Vancouver Bylaws, such as the Fees Bylaw. Other Bylaws, such as the Works and Services Bylaw, should be reviewed against the City's corresponding Bylaw, with any special UEL circumstances (i.e. supplemental design criteria) being kept and added to the City's Bylaw. The transition from the UEL Land Use, Building, and Community Administration bylaw will also be required and is likely to have a longer transition period.

Ease of Transition = medium.

Given the existing staff complement at the City of Vancouver, it is likely that no additional administration resources will be required to support the transition to the inclusion scenario. Depending on the level of enforcement anticipated and/or backlog of complaints, there may be the need for additional Bylaw enforcement resources; however, it is out of the scope of this assignment to analyze the potential for

additional staff resources, without further coordination with the City of Vancouver.

Fiscal Efficiency = medium-high.

One of the challenges identified by UEL residents was the lack of responsiveness, at times, from UEL Administration. This may be due in part to the amount of staff resources available as well as the limited legislative framework under the *University Endowment Land Act*. Under the inclusion scenario, it is likely that accountability will improve, due to increased administration staff, in-house communications and engagement personnel, and more transparent processes under the *Vancouver Charter*.

Accountability = medium-high.

Incorporation Considerations

The incorporation scenario will involve a high level of transition effort, in order to establish a formal local government administrative structure. This includes a number of statutory corporate officers, including the Chief Administrative Officer (CAO), Chief Financial Officer (CFO) and Corporate Administrator (i.e. City Clerk), and all of the administrative and procedural bylaws to "run" the new municipality. The Ministry of Municipal Affairs often provides guidance and support to new municipalities through this transition period.

Ease of Transition = low.

As with other departmental considerations for a newly incorporated municipality, the financial implications are dependent on the level of service/resources provided and the staffing model chosen (in-house or contracted services).

Fiscal Efficiency = medium.

The new municipality will likely want to encourage a high level of community involvement and engagement, as it will need volunteers for committees, feedback into the budget and Financial Plan, and overall community promotion.

Accountability = high.



4.3.11 FINANCIAL SYSTEMS

There are a number of fiscal challenges due to the provincial structure of the current UEL governance system. These include, but are not limited to, the following:

- The UEL Administration strives to be cost-neutral to government yet there is no direct link between revenues received and expenditures made, as all monies flow to and from the overall provincial budget.
- UEL Administration does not have the ability to accumulate reserves from one year to another to fund capital programs or to debt-finance capital works. As a result, the annual budgeting process is property tax rates are somewhat reactionary to the projected expenditures. This poses a potential risk, in case of an emergency capital expense, or to appropriately plan for and fund a long-term asset management plan.
- UEL does not have the ability to collect DCCs or other developer-driven charges.

Both municipalization scenarios help to address the above fiscal challenges, and are presented below, along with other considerations of the financial systems.

Inclusion Considerations

Like all other local governments, UEL utilizes the BC Assessment system to determine the valuation of land and improvements based on land classes. This will make the transition to the City of Vancouver property taxation system relatively seamless. The entire property tax roll from UEL will have to be entered/transferred into the City of Vancouver's financial system, which should happen automatically as part of the annual Completed Assessment Roll. In addition to the ad valorem property tax, there may be additional parcel taxes that may apply to UEL properties. These should be reviewed carefully and if applicable, communicated with the UEL residents prior to the charge being applied.

There are a number of additional financial tools used by the City of Vancouver, including :

1. Land Assessment Averaging – the City of Vancouver uses this to give property owners temporary tax relief by phasing in tax increases due to changes in land values set by BC Assessment. Put in place in 2015, transitioned from three to five year targeted averaging in 2019. It is used for Residential (Class 1), Light Industrial (Class 5) or Business and Other (Class 6) property.
2. Empty Homes Tax – also known as the “Vacancy Tax”, introduced in 2017 to help return empty and under-utilized properties to the market. Properties deemed or declared empty in the 2021 reference year will be subject to a tax of 3% of the property's 2021 assessed taxable value. The Province's Speculation and Vacancy Tax is in addition to the Empty Homes Tax.¹⁵

Ease of Transition = medium-high.

The potential financial implications are anticipated to be low. This is not to underestimate what the potential property tax impact would be in moving from the Provincial (status quo) to the Inclusion scenario, as that is outside the scope of this project. However, given the large and diversified tax base of the City of Vancouver and the additional financial tools available to municipalities, the risk of any significant financial liabilities due to unforeseen circumstances is relatively small.

Fiscal Efficiency= medium-high.

Within the inclusion scenario, the ability for UEL residents and ratepayers to get involved in the City

of Vancouver's financial planning is much increased over the current situation. Local governments are required to consult with the community on its Five-Year Financial Plan. Municipalities tend to go through a robust, public annual budgeting process, resulting in a highly publicized percentage property tax impact. For those that wish to engage, the municipal budgeting process provides an opportunity for the community voice to be heard strongly.

Accountability = high.

Incorporation Considerations

Although the use of the BC Assessment system will also prove helpful under the incorporation scenario, all financial systems, software, and procedures will have to be established from scratch, including but not limited to: taxation, budgeting, accounts payable/receivable, payroll, business licensing, utility billing, and others. While there are a number of “turnkey” systems used by neighbouring municipalities, it will take time and effort to choose, set up, populate and learn any new financial systems chosen by the new municipality.

Ease of Transition = low.

As noted in the previous section, it is outside the scope of this Study to conduct detailed analysis of the financial impacts of incorporation (i.e. before and after snapshot). That being said, based on the current high assessment values of UEL properties (even though the vast majority are classed as residential) and the potential for strong growth and development, the financial implications of this scenario are moderate. The only reason why the implications wouldn't be even lower is that the tax base is less diverse than the City of Vancouver, and the new municipality is starting out with little to no reserves.

Fiscal Efficiency = medium.

As noted above, the Local Government Act requires municipalities to engage the community when developing its Five-Year Financial Plan. All of the points identified in the previous section on community voice (inclusion scenario), also relate to the incorporation scenario. In fact, there is likely to be more community interest in financial matters under the incorporation scenario, due to the nature of the small community as compared to the City of Vancouver.

Accountability = high.



4.3.12 GOVERNANCE AND DECISION MAKING

Both of the municipalization scenarios provide for direct accountability to the electorate, but they differ in a few ways as presented below.

Inclusion Considerations

Under the inclusion scenario as part of the City of Vancouver, UEL residents will be able to vote for a Mayor and 10 Councillors, elected at large for a four-year term. However, even though they are elected at large, City of Vancouver politics is partisan in nature unlike most municipal politics in British Columbia. The current Vancouver City Council consists of 5 independent councillors (including the Mayor), 3 councillors from the Green Party, 1 councillor from the NPA, 1 councillor from COPE, and 1 councillor from the OneCity Party. As previously discussed, Vancouver is also unique in that it has a separate Park Board that is also elected to a 4 year term, in conjunction with the municipal elections. The current Vancouver Park Board consists of 2 members from the NPA, 2 from the Green Party, 2 from Vision and 1 from COPE.¹⁶

In the past, there have been calls to convert the at-large system to a ward system, to provide better neighbourhood representation. Of the 162 municipalities in British Columbia, only the District of Lake Country, currently has a ward system, which was a product of its incorporation process in 1995.

Ease of Transition = medium-high.

The financial implications of inclusion of UEL with the City of Vancouver with respect to governance are very low, given the fact that structure for Mayor and Councillors already exists, and that the additional UEL population would not likely change the numerical makeup of Council.

Fiscal Efficiency = high.

Under the inclusion scenario, the community voice element is relatively high, as UEL residents will have more direct access to their elected Mayor and Councillors, and will be able to exercise their voting rights every four years.

Accountability = high.

¹⁶ City of Vancouver

Incorporation Considerations

If UEL were to incorporate as a separate municipality, the Community Charter identifies a set of criteria to determine the potential size of Council, as follows:

- Village (< 2,500 population) or Town (2,500 to 5,000 population), Council consists of a mayor and 4 councillors;
- City or District with a population <50,000, Council consists of a mayor and 6 councillors;
- City or District with a population >50,000, Council consists of a mayor and 8 councillors (but could be up to 10).

With a current population of approximately 3,200, a new UEL municipality would be considered a Town, with a Mayor and 4 Councillors. Once it reached a population of over 5,000 it could:

1. Remain the same, as a Town with a Mayor and 4 Councillors;
2. Pass a Bylaw to increase the size of Council to a Mayor and 6 Councillors, and remain a Town; or
3. Apply to the Lieutenant Governor in Council to be reclassified as a City, which automatically changes the size of Council to a Mayor and 6 Councillors.

In addition to the legal structure of a potential municipal council identified above, it was noted by members of the public during the community engagement sessions that it may be challenging to get people to put their names forward to run for elected office. In recent years, it has been challenging to fill the vacant positions on the CAC, and it does not appear to be changing.

Ease of Transition = medium.

If a new municipality were to be incorporated, the financial implications of funding the governance model (e.g. Mayor and Council, Council Committees, expenses and training, etc.) are relatively small compared to the overall annual expenditures of an incorporated municipality. The impacts would be higher than that of the inclusion scenario (as the Mayor and Council expenditures already exist and are accounted for), but are relatively minor nonetheless.

Fiscal Efficiency = medium-high.

Similar to the inclusion scenario, a newly incorporated municipality should encourage a high degree of community participation and engagement. This is critical to getting community volunteers on advisory committees, as well as receiving public input on the Five-Year Financial Plan, annual budget, Strategic Plan and other initiatives.

Accountability = high.



4.4 EVALUATION OF MUNICIPAL GOVERNANCE SCENARIOS

Based on the review and analysis provided in the previous section, a summary of the two municipal governance scenarios – inclusion with the City of Vancouver or incorporation as a separate municipality – is provided below. While this Study is not designed to make recommendations with respect to a preferred scenario, a few general observations can be made regarding the high-level evaluation:

Ease of Transition

- Is generally higher under the inclusion scenario
- The incorporation scenario will involve a high level of transition effort, in order to establish a formal local government administrative structure.
- Many of the services are either currently being provided by the City of Vancouver to UEL residents (e.g. fire) or could more easily be extended to include UEL (e.g. police, emergency preparedness, transit) than the relative effort of establishing service delivery for a new municipality.
- The UEL Administration currently provides service delivery which is generally viewed as satisfactory based on survey results. It should not be assumed that all current internal or contracted services will be easily transitioned between the existing administration and a new municipality through under incorporation. Similarly, it should not be assumed that no additional staff or resources would be required as part of inclusion.
- Under incorporation, there would be impacts to Metro Vancouver's board and the Mayors' Council on Regional Transportation. It has not been determined how this could impact the voting system, bylaws, or other procedural components within the governance structures.

Fiscal Efficiency

- Is generally higher under the inclusion scenario.
- As part of incorporation, a new municipality would need to determine the appropriate level of service for their community. This may differ than the current service provision by UEL Administration (with support from third-party contractors) or the City of Vancouver.
- The financial impact may vary greatly for a number of critical services (e.g. police, fire, roads), especially for the incorporation scenario, depending on the service delivery model selected. Some services will have relatively high financial impact under incorporation (e.g. roads, policing), whereas others will depend on the service delivery model chosen by the newly elected officials.
- Service delivery and systems are already operating at scale within the City of Vancouver. While an analysis would need to be completed, it would likely be more costly for a new municipality to establish and operate an equivalent level of service.

- The City of Vancouver is structured with vertical integration of service delivery which provides efficiencies which can only be achieved at certain scale.
- Transportation expenditures related to road maintenance are likely to significantly increase under incorporation compared to inclusion. Further review would be required to determine the financial impacts once consideration the Major Road Network and potential boundary adjustments are considered.
- The financial impacts related to the water system are potentially high if the UBC markup revenues no longer exist for the community; this is considered more likely to occur under incorporation.

Accountability

- The community voice element is relatively high for both scenarios, as UEL residents will have more direct access to their elected Mayor and Councillors, and will be able to exercise their voting rights every four years.
- Although both municipalization scenarios are similar, it is generally slightly higher under the incorporation scenario, as it stands to reason that a smaller municipal council serving a smaller population could be more responsive to community input and feedback.
- The incorporation scenario includes the risk/challenge of garnering enough interest within the local community to entice those to run for elected office or volunteer for the various committees and community advisory groups.
- Although the newly incorporated municipality will have a seat on the Mayors' Council, it will likely be seen as a smaller voice than other larger communities within the region.

A number of services will not change under either municipalization scenario and include: regional parks (Pacific Spirit Park), regional hospital, BC Assessment, Municipal Finance Authority, and the School Tax.

Some of the more complex municipal services include policing, fire protection, and transportation, which have specific considerations of population thresholds, contract requirements, professional service levels, and so forth.



5.0 TRANSITION CONSIDERATIONS

In addition to the background information and analysis provided in this Study, there are a number of potential transitional considerations to take into account as part of the Provincial government's review and decision-making process. Specific elements related to these transition considerations will be dependent on which potential governance scenarios are being explored, additional information and analysis (including more quantitative analysis), as well as detailed discussions and agreements with the various parties of interest at the time.

The transitional considerations have been organized by topic areas and timeframe (short, medium and long-term). Some considerations may not be of critical importance at the immediate next stages of the governance review process but have been identified as areas where the opportunity exists to address them in the near term which would improve understanding of the impacts of governance change.

5.1 SHORT TERM

These following topic areas should be addressed in the short term to assist in the understanding of and selection of preferred governance scenario(s).

5.1.1 INDIGENOUS RELATIONS AND RECONCILIATION

There should be an overall approach to Indigenous relations and reconciliation with Musqueam as part of any governance transition for the UEL. Not only are the UEL lands located within the unceded territory of the Musqueam, the southern boundary of UEL is adjacent to Musqueam Indian Band reserve lands. Notification can also be provided to other nations.

Further consultation is required to better understand First Nation interests with regards to governance in the UEL. This will be of high importance for moving the project forward with several other considerations being dependent on these discussions (e.g. Pacific Spirit Park, University Golf Course).

RECOMMENDATION – work with the Ministry of Indigenous Relations and Reconciliation to consult and engage with Musqueam, and notify other nations as needed.



5.1.2 GOVERNANCE CHANGE PROCESS

The pathway from the conclusion of this Study and to the potential point of governance change is evolving. Traditionally, the Provincial approach to local government restructuring is to proceed through a structured process which accounts for the unique characteristics and issues in each community. While the specific process may vary, in general it follows these six steps:

- Preliminary exploration
- Process design
- Process Initiation
- Community Engagement
- Decision and Implementation
- Transition and Adaptation

This Study has completed the preliminary exploration phase, as well as portions of process design, process initiation, and community engagement. Further analysis, processes, and engagement with key interested groups and the community are anticipated as part of future governance consideration for UEL.

Local governments are created through Provincial legislation and as a result the Province retains the authority to establish and change local government structures. The UEL Act does not include any provisions related to the transition of governance for the lands. In contrast, the Local Government Act and the Community Charter include processes by which local governments are to make decisions related to incorporation and boundaries. The legislation is supplemented by policy and guidelines to support understanding and implementation. While the Province provides support and autonomy to communities to make these decisions, the authority to make the change ultimately rests with the Province.

It is unclear what process will be followed for the determination of a decision on a change in governance for the UEL. To date, the Province has taken the approach that all municipal restructuring and boundary reviews are subject to electoral and provincial approval, with additional consultation to be done with those affected, including First Nations whose traditional territory encompasses the proposed area. As the UEL does not fall under the Local Government Act or Community Charter, any change in governance for the UEL is not required to follow these processes.

RECOMMENDATION – establish a governance review and approval process to support understanding of timing and sequence.



5.1.3 GOVERNANCE REVIEW ADVISORY AND WORKING GROUPS

Any potential governance transition will require an effective facilitation and communications process in order to fully understand and coordinate the key local, regional, provincial and First Nation interests. Development of a strategic communications plan and maintaining key relationships with the various stakeholders and interested groups will be important in moving forward with any change in governance.

This Study also identified a desire for transparency and communications which was raised by residents and other key interested groups. A consultation framework should be considered to establish and maintain engaged teams of key interested groups which may include, but not be limited to, members from Musqueam Nation, City of Vancouver, Metro Vancouver, UBC, UEL Administration, key service providers, the UEL Community Advisory Council and residents at large.

RECOMMENDATION – Maintain communications with key interested groups to advise and progress the detailed analysis of preferred governance scenarios.

5.1.4 CROWN PROVINCIAL LAND

Within the UEL boundaries, the most significant legal parcel owned by the Crown is located at 5495 Chancellor Blvd (Block A, DL 3843, Land District 36). The property is approximately 9.9 acres (4.0 hectares) in size, and currently consists of the UEL Administration Building and Public Works Yard. In addition, there are 5 residential buildings (with outbuildings) located on Acadia Circle, plus one large building located on Acadia Road which was home to the UEL Heritage Fire Hall. There are a few additional parcels of Crown lands that were identified as part of this study which currently have buildings and are being leased should be reviewed.

A detailed review of these properties was outside the scope of this project, but should be undertaken to better understand the tenure, legal boundaries, and potential covenants or conditions of these lands.

RECOMMENDATION – conduct detailed review of Crown lands as required to support future transition to a new governance structure.

5.1.5 BOUNDARY REVIEW

The terms of reference of this Study and potential governance scenarios are based upon the current jurisdictional boundary of the UEL. In contrast with past governance reviews (including a previous referendum which included portions of both UEL and UBC), this Study did not include lands within UBC for a variety of reasons. The refinement of future governance considerations will depend upon further research and analysis, as well as continued engagement with UEL residents, First Nation communities and key interested groups. This may result in a potential revision of boundary considerations.

The governance review and transition process for the UEL is not bound by Provincial processes. In the absence of a defined process, the Municipal Boundary Extension Process Guide provides best practices for review of the existing boundary of the UEL within the context of transition to the municipalization scenarios. The following areas are notable:

- SW Marine Drive - provides limited service value to developed lands within the UEL and acts as a highway primarily for access to UBC and Musqueam. Consideration should be given to the suitability of continued inclusion within the UEL based on the perspective of road maintenance jurisdiction.
- Area C – is non-contiguous with the other residential areas of the UEL as it is adjacent to the City of Vancouver whereas the other neighbourhoods all border UBC lands. As such, it acts as a satellite to the other neighbourhoods and would functionally become such if Pacific Spirit Park were to not be included within the boundaries of an inclusion municipalization scenario.
- Shared Boundary Roads – exist on the boundary of the UEL and their neighbouring jurisdictions. As per Provincial Guidelines, boundary proposals should follow one side of a road right-of-way which would potentially eliminate shared ownership on Wesbrook Mall (UBC/UEL) and Blanca Street (CoV/UEL).

RECOMMENDATION – Conduct a detailed GIS mapping and land database update to ensure mapping systems and land information is as current as possible. This should include a complete a boundary review. There is an opportunity to commence this work in the near term as it has limited dependency on other considerations.

5.1.6 ROADS AND RIGHTS OF WAY

All public roads within UEL, whether they be major roads maintained by MOTI or local roads maintained by UEL Administration, are located within road rights-of-way in favour of the Crown Provincial. If the governance structure were to change to one of the two municipalization scenarios, all of the public road rights-of-way would be vested with the municipality, unless the Province deemed it was required to be maintained under Provincial control (e.g. University Boulevard, for the future planning and siting of the SkyTrain extension to UBC). Even if these road rights-of-way were to transfer to municipal control, a number of them could be part of the Translink Major Road Network as previously described in this report (e.g. NW Marine Drive, Chancellor Drive, University Boulevard, 16th Avenue, and SW Marine Drive). Particular attention should be paid to the transition strategy for roads and rights-of-way as part of any future governance change.

RECOMMENDATION – Review of Provincial interests in the retainment or divestment of roads and rights-of-way to inform future consideration of municipal governance scenarios.

5.1.7 EASEMENTS

The construction of local service systems at the UEL and adjacent communities developed over many years. Engagement with UEL Administration noted that there is work to be done to resolve utility encroachments which cross private properties. An example of such is utilities which pass through Pacific Spirit Park.

A utility easement and legal review should be conducted to inventory all easements and identify any gaps prior to land transfers associated with governance change.

In many cases, service alignments which were chosen for construction efficiency are now not accessible for operations and maintenance of the system. A servicing review can determine where it is appropriate to formalize an easement or where infrastructure should be relocated to eliminate the encroachment altogether.

Lastly, formalized easements and agreements should be in place for all new infrastructure which passes through the UEL. An example is the UBC northern sewer trunk main which is currently on NW Marine Drive and planned for replacement through Area B.

RECOMMENDATION – Review easements with utility providers where required formalize them prior to transfer of lands.

5.1.8 LOCAL PARKS

UEL Administration owns and maintains two parks within its boundaries – Jim Everett Memorial Park and the Bridle Path (on Western Parkway from Agronomy Road to Chancellor Boulevard). Both of these parks are not separate legal parcels, but are part of the adjacent road right of way (University Boulevard and Western Parkway respectively).

Finally, as part of the Block F Ielərn development, a new 3.1 acre park is proposed to be dedicated to UEL, plus 2.8 acres of publicly accessible open space and 1.9 acres of greenways. In addition, a 15,000 sq.ft. future community centre is to be constructed and dedicated to UEL, which will provide additional community gathering space in addition to the existing Community Amenity Room in the University Marketplace.

RECOMMENDATION – Review legal parcels and raise legal title, as necessary, to support these lands as municipal parks under a future governance scenario.

5.1.9 PACIFIC SPIRIT PARK

Pacific Spirit Park was established in 1989 by the province and transferred to Metro Vancouver under a tenure that stipulates that the land can only be used for park purposes. At approximately 865 hectares, it comprises over 70% of the land base of the UEL, and will be an important component of any transitional considerations to a new governance structure. It is not uncommon for regional parks to be located within municipal boundaries, so from that perspective either of the potential municipalization scenarios should have little impact on the governance of Pacific Spirit Park.

In 2008, as part of the Reconciliation, Settlement and Benefits Agreement between the Province of BC and Musqueam Nation, two parcels of land from Pacific Spirit Park were expropriated and returned to Musqueam. Over the next three years, Metro Vancouver challenged this land transfer through to the BC Supreme Court and Court of Appeal, and the Regional District was not successful. As part of any future governance structure, meaningful consideration of Indigenous rights and title will continue to be an important consideration.

The approach to Pacific Spirit Park will be influenced on the discussions and negotiations in the First Nation consultation process. As this project reviewed broad governance scenarios already existing within the process, it is worth noting the involvement of First Nations in the governance of parklands is evolving. A recent example of agreements which may (or may not) provide a model for the governance of Pacific Spirit Park is the Belcarra Regional Park Cultural Planning and Co-Operation Agreement which was implemented in 2020. The agreement between Tsleil-Waututh Nation and Metro Vancouver identifies leadership and working groups tasked to implement the principles and objectives stated within the agreement including collaboration on specifically identified projects.

RECOMMENDATION – conduct research into the long-term tenure of Pacific Spirit Park in the context of Indigenous rights and title, as part of the reconciliation and/or treaty process.

5.1.10 UNIVERSITY GOLF COURSE

The University Golf Course is a 120 hectare (48.5 acre) 18-hole golf course site, surrounded by Pacific Spirit Park and extending from Area D on the west to the City of Vancouver boundary on the south. As the lands are adjacent to University Boulevard which is proposed to be general alignment for the planned rapid transit extension to UBC, there is significant potential for redevelopment of the lands, which if completed would significantly increase the population growth projections for the UEL beyond the figures considered within the official projections and reflected within this Study.

There is potential for a change in governance to impact the development potential of the University Golf Course lands. For example, an incorporated municipality could restrict zoning to limit future development of the lands.

In 2008, as part of the Reconciliation, Settlement and Benefits Agreement between the Province of BC and Musqueam, the University Golf Course was vested to Musqueam Indian Band. We understand that the golf course continues to be managed and operated by Musqueam Capital Corporation, the economic development corporation.

We understand that a restrictive covenant was placed on the University Golf Course lands which limits the uses of the lands to its current operations and recreational purposes and prohibits development until 2083. The Minister, with authority over land use decisions, has the authority to repeal or amend the restrictive covenant on the lands.

As the lands also fall within the traditional territory of the Musqueam, there are considerations related to the potential for the lands to undergo the addition to reserve process. If this were to occur, the lands would be removed from UEL jurisdiction and transitioned to federal lands under the administration of Indigenous Services Canada and Musqueam Indian Band under Land Code. The interests of Musqueam in these lands were not explored in detail during this Study but should be reviewed as part of the First Nations consultation process.

RECOMMENDATION – Review the impacts of governance change on the University Golf Course lands including any agreements and the restrictive covenant on the land title. The process should include consideration of the First Nation and Provincial interests in the lands.



5.2 MEDIUM TERM

These topic areas should be addressed in the medium term to support the detailed analysis and greater understanding of the potential impacts of the governance scenario(s).

5.2.1 FINANCIAL ACCOUNTING

The UEL Administration does not follow the Local Government Data Entry (LGDE) system and is instead structured based on the provincial Treasury Board guidelines with funding flowing through the Ministry of Municipal Affairs budget.

Due to the accounting system which the UEL Administration follows, they are unable to provide accurate operating and capital expenditures by LGDE service categories. We prepared as part of this study a framework to assist the UEL Administration with allocating costs per service category in order to prepare an estimate. The UEL Administration reviewed the framework and felt that it would require a significant effort and that the resulting estimate would lack accuracy due to the magnitude of the assumptions which would need to be made. Instead, the UEL Administration was able to provide a high-level breakdown of the contracts and major costs within their 2019-20 expenditures which has clarified, to some extent, how operating and capital expenditures are interwoven in the budget. Creating a breakdown of costs into service categories remains a challenge which will need to be addressed to complete a detailed analysis of the impacts of a change in governance.

RECOMMENDATION – alignment of accounting methods with the LGDE system. There is an opportunity to progress this effort in the near term.

5.2.2 PROVINCIAL ASSETS AND LIABILITIES

Through the provision of local service delivery to the residents and ratepayers of UEL for nearly a century, the Province of British Columbia currently owns and maintains a significant amount of capital infrastructure in varying degrees of type, size, age and condition. The approximate value of UEL's water, sanitary sewer, stormwater, road networks and street lighting has been estimated at approximately \$51.3 million (in 2015 dollars). This figure excludes a number of other significant capital assets including buildings, vehicles, community park structures, and land.

The estimated value of infrastructure above was derived from the UEL 10-year capital plan (2012 to 2021), which was updated in 2015. Based on the age and condition of the existing infrastructure, the estimated level of investment required to sustain the assets at its current levels of service is approximately \$950,000 per annum (\$806,000 for the first half of the capital plan, increasing to \$1,060,000 for the latter half). This does not include any new infrastructure that is being constructed and dedicated to UEL as part of future development.

While the Province has increased its annual capital expenditures into UEL infrastructure in recent years, current governance structure limits the UEL Administration's ability to create capital reserve funding from both existing ratepayers (e.g. transfer of surplus funds to capital reserve) as well as from future developers (e.g. DCCs). The Province should consider undertaking a comprehensive Asset Management Plan to not only update the asset inventory and condition assessment, but to determine the lifecycle replacement costs of the infrastructure and prepare a sustainable funding strategy, which will help to inform the financial considerations for any potential change in governance structure in the future.

RECOMMENDATION – review and confirm all provincial assets and liabilities within UEL, and undertake a comprehensive Asset Management Plan to confirm the asset inventory (including natural assets), condition assessment, replacement valuation and financial reserve strategy, in order to be prepared to further discuss a potential transition towards a new governance structure.

5.2.3 ASSET MANAGEMENT SYSTEMS

The UEL Administration is in the process of establishing asset management systems to track the operations, maintenance and financial records of their infrastructure assets. This information is currently maintained by external consultants and hosted through the Provincial mapping portals.

Open access to infrastructure data has been widely adopted throughout BC, and particularly in the Lower Mainland and other urban areas, as it provides transparency, improves collaboration between jurisdictions and lessens the administrative effort required to address service information requests.

In either municipalization scenario, it would be reasonable to review align of their asset management systems and records (e.g. geographic information systems schemas) with that of the City of Vancouver and other municipalities of a similar size. This would provide a smooth transition should either the City be selected as the preferred municipalization scenario or should a newly incorporated municipality choose to rely on the City of Vancouver as a service provider for hosting their asset records.

RECOMMENDATION – consider migration of asset management systems to align with industry best practices.

5.2.4 SERVICE PROVIDERS

As part of the current service delivery arrangements for UEL, the Province maintains a number of agreements with third-party service providers. These arrangements will be impacted to a varying degree depending on the service and governance scenario should a change in governance occur. More details and analysis of impacts which the municipalization scenarios would have on these arrangements are provided earlier within the report. The current agreements are briefly summarized below:

- Policing – on April 1, 2012, the Province signed a number of agreements with Canada which contracted with the RCMP to act as British Columbia's provincial police as well as the municipal police force for certain municipalities (where applicable), for a period of 20 years.
- Fire Services – on October 16, 1995, the Province signed an agreement with the City of Vancouver to take over the delivery of fire and rescue services to UEL (and UBC) for a period of 99 years. The agreement included the transfer of assets to the City for \$1, replacement funding of apparatus based on a series of installation payments, and use of the existing fire station located at 2992 Wesbrook Mall (now Vancouver Fire Station #10) for the term of the agreement.
- Road Maintenance – as an unincorporated area, road maintenance is provided by the Province of BC through the Ministry of Transportation and Infrastructure (MOTI), which has entered into a maintenance contract agreement with Mainroad Lower Mainland Contracting. In addition, since 1994 the City of Vancouver has had an agreement with the Province for road maintenance of local roads along the boundary between the City of Vancouver and UEL.
- Bulk Water – UEL (and UBC) purchase potable water from the Greater Vancouver Water District (Metro Vancouver). As previously noted, because UEL and UBC are not member municipalities of Metro Vancouver, they pay 20% more for their water than their respective municipal counterparts. In addition, UEL charges a 10% markup to UBC for bulk water distribution through the UEL system.
- Sanitary Sewer Treatment – UEL's sewer collection system is connected to the Greater Vancouver Sewage and Drainage District (GVSD) for sewage treatment processes. UEL pays the municipal rate for its share of the regional sewer collection and treatment plant costs as well as Development Cost Charges (DCCs) for future capital upgrades due to growth.
- Recycling – although UEL Public Works provides collection of single detached household waste and organics, it contracts with GFL Environmental for recycled materials pickup. The recycling contract would need to be reviewed but is unlikely to be significantly affected due to governance change.
- Parking enforcement – while UEL Bylaws do not allow for the issuance of parking tickets, the towing of vehicles is enforced through a contract with the Corps of Commissionaires. Municipal ticketing powers would become available with the municipalization scenarios, either through expansion of the City of Vancouver regime or a consideration for suitable regime under incorporation likely including a review of the current agreement with the Commissionaires for parking enforcement.

RECOMMENDATION – review existing service agreements and consider renegotiation or termination of contracts, where appropriate. The process is likely to modernize the language of existing agreements which are being retain.

A background image showing a street scene with large trees on the left and several green trash bins along the curb. One bin in the foreground is clearly labeled 'UNIVERSITY ENDOWMENT LANDS'. A car is visible in the distance on the right side of the street.

5.2.5 LEVEL OF SERVICE IMPACTS

An analysis should be undertaken to determine the cost of upgrading existing assets to meet the level of service of the City of Vancouver or other incorporated local governments. Long term capital projects, such as the UEL's Sewer Separation Strategy, should be quantified as deficiencies in the level of service of existing infrastructure and considered a liability if transferred under a municipalization scenario.

Examples which were raised during the course of this Study include known condition issues and capacity issues with the UEL owned water supply mains which service UBC and the regressive slope failures on NW Marine Drive.

Throughout the course of this Study there were elements of risk which were identified throughout the consultation and engagement processes. Although outside the scope of this Study, the completion of a risk assessment may inform the urgency with which the UEL governance review process proceeds.

RECOMMENDATION – Conduct a level of service impact review including infrastructure risks.

5.2.6 TAXATION IMPACTS

Local governments in BC have three primary sources of revenue: property taxation, own source revenue (permits, licences, user fees), and transfers from senior levels of government (conditional and unconditional). For most communities, property taxation is the most significant revenue source.

BC uses an ad valorem ("based on value") system of property taxation, meaning that property taxes are levied based on the assessed value of land and buildings. Every year, BC Assessment determines the classification, value, and exemption status of property and informs local governments of the values of properties within their jurisdictions. With this information in hand, local governments determine how they wish to distribute the property tax burden. Since BC uses an ad valorem property tax system, the ability to raise property tax revenues is directly related to the size of a community's assessment base.

In rural areas outside of municipalities, the Province sets the tax rate and collects taxes under the provisions of the Taxation (Rural Area) Act. The Province also sets Provincial Class Multiples that are used in setting the tax rates for regional district and improvement district requisitions that are levied on the hospital assessment base. Once regional districts and fire protection districts have set their budgets, they provide the Province with a requisition amount. Based on the Provincial Class Multiples, the Provincial Surveyor of Taxes then sets the tax rates to generate the necessary revenue, and collects these property taxes on behalf of the various taxing authorities.

A similar process is followed under the *University Endowment Land Act* wherein taxes are assessed and levied under the Taxation (Rural Area) Act. The difference lies in that the Minister is responsible for providing the Surveyor of Taxes with statements showing the amount of money required for general administration, service provision, and other works.

In contrast, municipalities set their own tax rates for each class of property, and they collect taxes for municipal purposes and on behalf of the Province for school and hospital purposes, the regional district, BC Assessment, the Municipal Finance Authority, transit authority, and any other body that has the authority to levy taxes.

As part of the detailed analysis of governance scenarios, the impacts of any scenario on taxation will need to be provided and communicated to the UEL community. Transparency in this area was noted as lacking and of high interest during our engagement, in particular by those in support of maintaining or enhancing the status quo.

RECOMMENDATION – conduct a detailed analysis of taxes which would be affected by a change in governance including financial impacts of forecast changes to class multipliers.

5.2.7 BUILDINGS AND FACILITY ASSETS

A review and determination of the lands and facilities, if any, needed under each governance scenario should be considered as a component of the impacts of any governance scenario. This work will build upon the provincial assets and liabilities while aligning with the level of service review.

The review should include analysis of the existing Administration Building, Public Works Yard, Recreational Facilities and Parks to determine their requirement and sufficiency to meet the needs of the government for each of the governance scenarios being reviewed in detail. Where additional lands are required, strategies should be put in place to secure the lands for community purposes. These needs may also impact other service providers such as Metro Vancouver whose Pacific Spirit Regional Park operations facilities are currently based out of the UEL Public Works Yard.

In more typical municipal restructuring process, the capital requirements to secure land and facilities for the administration and governance of a newly incorporated municipality can be a significant impediment to change. In this instance, the Province has significantly more financial resources than regional districts and municipalities which may limit the financial asset risk involved should a governance transition proceed for the UEL.

RECOMMENDATION – Determine facility and capital building requirements for administration and operations of the UEL and if the need varies based on governance scenarios.

5.2.8 PROVINCIAL LEGISLATION

The overarching provincial legislation for UEL Administration and land use comes from the *University Endowment Land Act*, RSBC 1996. The Act authorizes the Minister to enact bylaws, make land use decisions (i.e., subdivisions and rezonings), construct services necessary for occupation and use of the lands, levy charges for improvements, maintain and operate works and services, and levy taxes for the general administration, construction and maintenance of services.

Under a municipalization governance scenario, the University Endowment Lands would likely be guided by one or more of the Local Government Act, RSBC 2015, Community Charter, SBC 2003, or *Vancouver Charter*, SBC 1953. Under these governance scenarios, the UEL Act would be repealed as part of a governance change for the UEL.

A review of the legislative changes which would need to occur along with the development of strategies for the sequencing of legislative changes in the transition. This will include impacts on other provincial laws that may have been modified by the existence of the UEL Act.

The community engagement conducted as part of this project found a desire amongst some residents for incremental improvement of the existing governance structure. If there is desire to implement any of these changes in the interim period while further governance review is under consideration, a thorough review of the UEL Act would be required to determine the authority of the Minister to implement changes and which would require approval of the legislature.

RECOMMENDATION – Review legislative change process that would need to occur to repeal the *University Endowment Land Act*. This includes a review of provincial laws which may be impacted by repealing the UEL Act.



5.2.9 BYLAWS

UEL Administration operates under based on four primary bylaws and regulations. The main bylaws with respect to administration, planning and engineering are as follows:

- *Official Community Plan, consolidated 2016* – sets the overall long-term community vision for the community.
- *Land Use, Building and Community Administration Bylaw, consolidated 2016* – zoning regulations, development and building permits, noise and animal control, etc.
- *Works and Services Bylaw, 2016* – sets out the subdivision requirements and servicing standards for individual development applicants.
- *Fees Bylaw, 2022* – establishes fees for land use applications, permits, administrative service requests, business licenses, and works and services.

For any potential governance change, the existing regulations normally continue to apply until such time as the new decision-making body revises or replaces the appropriate Bylaws.

This has been identified as a long-term consideration with limited opportunity to move forward until later in a governance change process, should one proceed.

RECOMMENDATION – Review the authority for transfer and sunseting of existing bylaws as part of implementation planning during governance change.

5.3 LONG TERM / ONGOING

These topic areas should be addressed in the long term (or ongoing throughout) to support the implementation of a potential change in governance.

5.3.1 ADMINISTRATIVE SYSTEMS

Any transition in governance will require either the coordination or establishment of various administrative systems, including but not limited to:

- financial / accounting,
- information technology (hardware and software), and
- filing and records management.

The transition of administrative systems can have significant resource implications (both cost and staffing) and also take time to complete. The effort involved will be dependent on which systems are in use and whether records are complete, current, and organized. Examples of such systems include records which may not be digitally archived and accessible or utility billing software which tracks water meter readings and creates billing invoices.

There are proprietary software suites that are used by many local governments for public administration while others opt for less sophisticated (and less complex) systems. Completing a review of administration systems including their alignment with that used in other local governments and the effectiveness of the systems is outside the scope of this study but should be taken into consideration as part of any future governance scenario.

RECOMMENDATION – prepare a list of current IT hardware and software services (especially custom applications), and review any other administrative systems (including accounting and records management) as appropriate.

5.3.2 LABOUR CONTRACTS

An important consideration is the potential impact a transition to an alternative form of governance will have on existing labour contracts. While a detailed review was outside the scope of this project, any future governance scenario should undertake a review of existing labour contracts, as highlighted below:

- Government of British Columbia – the BC Government Employees Union (BCGEU) has a ratified three-year agreement with the Province of BC until March 31, 2022. A subsidiary agreement between the Province and the Professional Employees Association (PEA) is dated January 2019. The BCGEU agreement includes provisions in the event that delivery of services is privatized and are to be delivered by any employer other than the Province. Employee options and rights are outlined in Article 36 of the agreement. As of June 2022, the UEL has 16 FTE staff and 3 exempt staff.
- City of Vancouver – the Canadian Union of Public Employees (CUPE) Local 15 ratified a three-year agreement with the City of Vancouver, which remains in effect until December 31, 2022.
- Vancouver Fire and Rescue Services (VFRS) – there is no separate fire service union contract in place for UEL, as is it a contract with the City of Vancouver. VFRS is part of the International Association of Firefighters (IAFF) Local 18, whose collective agreement expired in 2019 with an MOA for 2020-2021.

RECOMMENDATION – review existing labour contracts to identify any unique transition requirements or special case agreements that may be applicable as part of a potential governance change.

5.3.3 ADVISORY COMMITTEES

The UEL Administration has two advisory committees; the Community Advisory Council (CAC) and the Advisory Design Panel (ADP) which are both established within the Community Plan Bylaw.

Community Advisory Council

The CAC is to provide advice to the UEL Manager on the adoption or revision of bylaws and items likely to have a significant effect on the cost, quality, or capacity of community services. Throughout the course of this study, it is apparent that there are challenges in the council's ability to fulfill their mandate. The council has struggled to maintain full membership, has been inconsistent in holding regularly scheduled meetings, and provided limited response to engagement with this study.

The term "council" appears to lead to misunderstanding of mandate. The elected nature of the council, with its volunteer representatives from various areas, leads to the presumption of decision-making authority whereas the CAC is an advisory committee.

The effectiveness of the current status quo governance model is impacted by the function of the CAC and their relationship with the UEL Manager. As the governance review process continues, consideration should be given to appropriate efforts for engagement and reform of the CAC in order for them to meet their mandate.

Advisory Design Panel

The ADP consists of seven professional members (architects, landscape architects, and engineers) as well as two residents from each of the four neighbourhoods. According to the Land Use, Building and Community Administration Bylaw, the UEL Manager shall refer certain applications to the ADP and give consideration to their recommendations. Similar to the CAC, the ADP appears to lack sufficient volunteers to function as intended. Recently the CAC has also not filled vacancies of professional members.

This has been identified as a medium-term consideration due to the limitations which the committees are imposing on the UEL Administration's ability to conduct their work. There is opportunity to move now with changes, particularly as they fall within the authority of the Minister to amend (in contrast to the *University Endowment Land Act*).

RECOMMENDATION – Review the CAC and ADP mandates to allow for UEL Administration to effectively proceed with their works during the governance review and transitional periods while appropriately engaging with the community to gather their input on matters could have significant effect on the cost, quality, or capacity of community services.



5.3.4 CENSUS BOUNDARY

Statistics Canada does not provide Census Dissemination Blocks which align with the boundaries of the four neighbourhoods of the UEL. Challenges may occur with determination of tax implications (such as emergence of a municipality with a population above 5,000) if the census does not accurately report the UEL boundary and its neighbourhoods as part of any transitional planning.

RECOMMENDATION – Coordinate the revision of the Statistics Canada Census dissemination block boundaries to align with the UEL overall and neighbourhood boundaries. This consideration should be deferred until after the boundary review is complete.

5.3.5 REGIONAL DISTRICT IMPACTS

Any governance structure that removes the UEL from Electoral Area A will have implications on the continued administration of the Regional District. Under the local service area scenario presented within this report, the composition of Electoral Area A, with the majority of its population being located at UBC, would be ineffective at providing decision-making authority to UEL residents. It is possible that UBC and the UEL would each strive to be individual Local Service areas leading to challenges with sustainability of funding for the remainder of Electoral Area A which is primarily rural. Furthermore, in engagement with Metro Vancouver, it was perceived that the municipalization scenarios and removal of the UEL from Electoral Area A would likely precipitate the same for UBC and lead to complete amalgamation and dissolution of the Electoral Area A.

RECOMMENDATION – Engage with Metro Vancouver on the impacts of governance scenarios on the Regional District including Electoral Area A and the provision of regional services.



6.0 SUMMARY

Governance is the framework by which decision-making occurs; in this case with respect to the delivery of local services and regulations for community development. The UEL Governance Study reviewed, in depth, the current services provided to the community, and introduced four potential governance scenarios in order to manage the future state of UEL in 2050, outlining the opportunities and challenges for each scenario. The scenarios are intended to demonstrate how alternative governance structures that exist elsewhere in the province may impact the UEL. For clarity, these scenarios are not presented as options particularly since further governance scenarios may emerge through additional research and engagement with key stakeholders and may warrant further exploration. This Study only contemplates scenarios that currently exist within legislation.

Due to the challenges of two of the scenarios being appropriate to manage the long-term administration, financial and overall decision-making activities of the community, the remainder of the Study focused on

an in-depth exploration of the two municipalization scenarios – Inclusion (neighbourhood within a large municipality) and Incorporation (small municipality in an urban region) – and provides a high-level evaluation of each scenario by service, based on three criteria: ease of transition, fiscal efficiency, and accountability. The Province, should it choose to move forward with this governance review, will need to undertake additional research beyond the scope of this Study to determine whether the presented scenarios or any additional scenarios warrant further investigation. Any change in governance would need to be based on additional research, engagement, and consultation with First Nations.

The Study then presented a number of transition items for consideration, based on a short, medium and long-term timeline. While the Study does not include recommendations for future governance, the high-level evaluation uncovers a number of observations that should be further explored, depending on the direction and next steps coming out of this initiative.



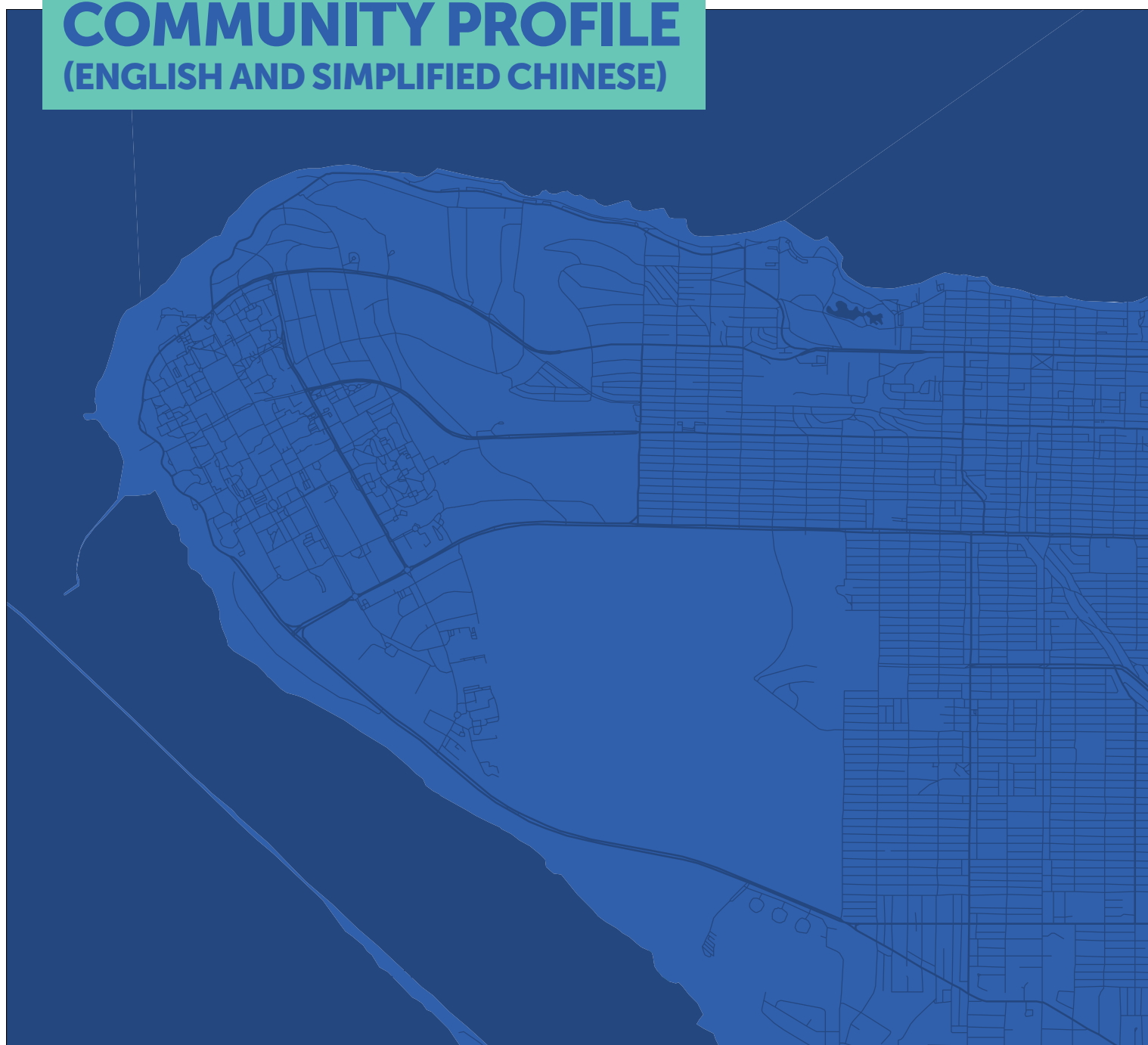
APPENDIX A

BACKGROUND DOCUMENTS LIST



APPENDIX B

COMMUNITY PROFILE (ENGLISH AND SIMPLIFIED CHINESE)



APPENDIX C

SERVICE HIGHLIGHTS (ENGLISH AND SIMPLIFIED CHINESE)



APPENDIX D

LIST OF KEY INTERESTED GROUPS



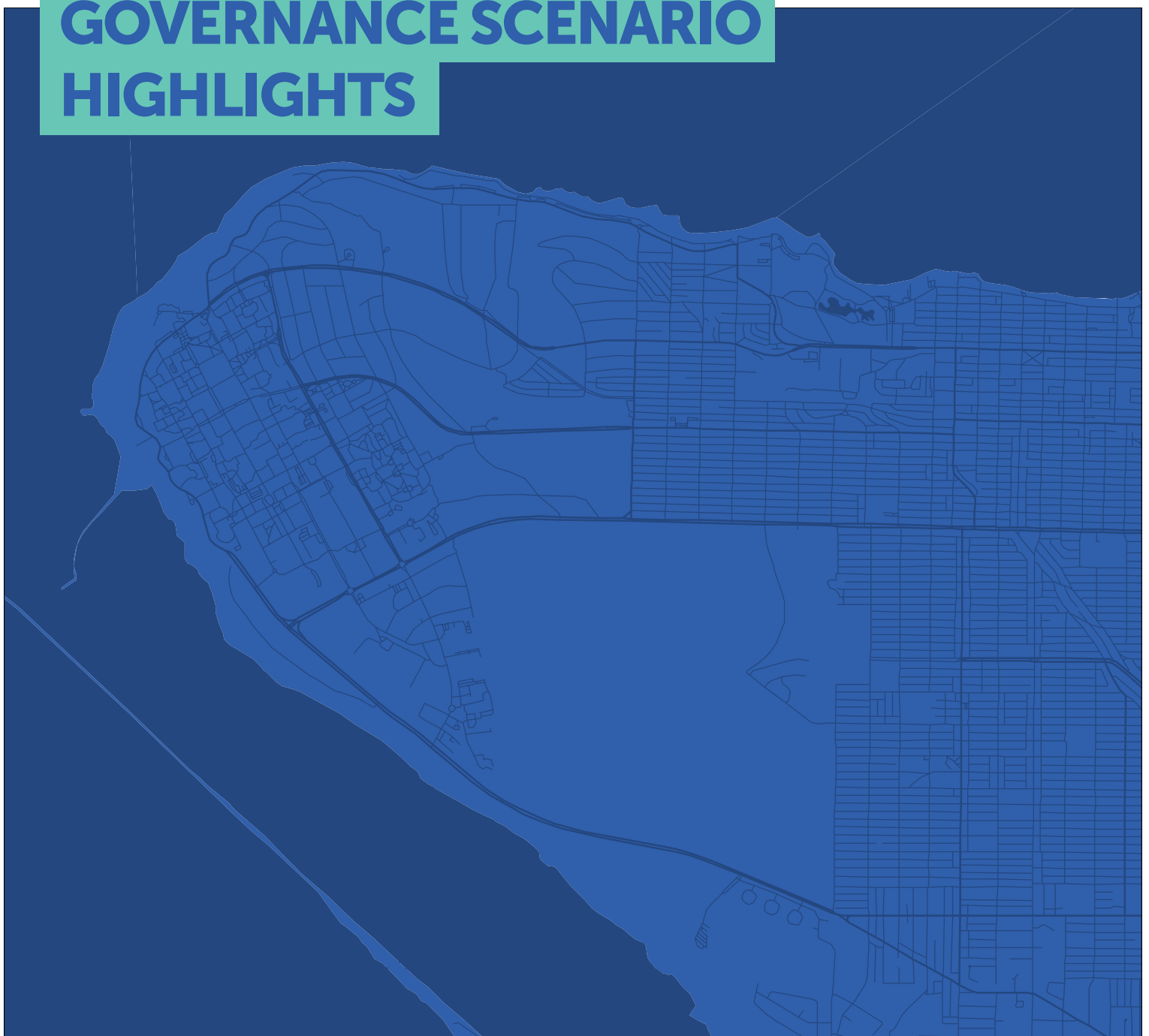
APPENDIX E

ROUND ONE COMMUNITY ENGAGEMENT



APPENDIX F

GOVERNANCE SCENARIO HIGHLIGHTS



APPENDIX G

ROUND TWO COMMUNITY ENGAGEMENT

