



Memo

TO: Chairperson, Committee of the Whole

SUBJECT: Request for Waiving of Building Permit Fees

DATE: June 9, 2023

FROM: Chief Administrative Officer

We are in receipt of a request (see letter attached to this agenda) that the Town consider the waiving of the building permit fees for improvements to the Lake Cowichan arena. The reasoning given simply is untenable. The request, if approved, would mean that the entire fees would be absorbed by the Town, an unreasonable proposition given that we now have in place a regional funding model that results in the Town already bearing a greater proportionate share of the recreation costs.

Under the new funding arrangement, it would be unreasonable for the Town to bear the costs of the building permit fees entirely. The referendum that was undertaken by the Regional District which has resulted in the enactment of the CVRD Bylaw No. 4438 now establishes a regional funding model that is now based on the usage of 9 Regionally Significant Recreation Facilities and is to be apportioned thus:

- (Year One (2023) will be 1/3 based on usage and 2/3 based on existing funding methods;
- Year Two (2024) will be 2/3 based on usage and 1/3 based on existing funding methods; and
- Year Three (2025) will be based fully on usage (and every year for the next three years after and subsequent to 2025 usage will be determined every 5 years or earlier).

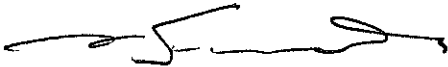
For the first two years the costs shall be apportioned on the basis of the above as set out in Schedule A of the CVRD Bylaw 4438, which is attached to this memo.

It appears that the apportionment based on Year 1 may no longer be applicable as the project referred to here has been moved to 2024 which has been determined to be the second year of a 3-year phased approach on the new funding model. It would be fiscally irresponsible for the Town to waive the building permit just so we can bear the full brunt of the cost ourselves and so the other areas can avoid paying their fair share.

RECOMMENDATION

The request for the building permit fees to be waived for its dressing room improvements at the Cowichan Lake Sports Arena not be approved. The charging of the fees will still result in the Town footing its obligations under the new formula.

It needs to be noted the Town sought no such forgiveness when it came to the building permit fees of \$26,424 that was payable in 2017 to the CVRD for the construction of the new Water Treatment Plant.



Joseph A. Fernandez



Schedule A to CVRD Bylaw No. 4438

Regional Recreation Funding Services

2023 - 2025 Regionally Significant Facilities % of Use by Participants	Electoral Area A	Electoral Area B	Electoral Area C	Electoral Area D	Electoral Area E	Electoral Area F	Electoral Area G	Electoral Area H	Electoral Area I	City of Duncan	Town of Lake Cowichan	Town of Ladysmith	Municipality of North Cowichan
Cowichan Aquatic Centre (MNC)	5.40%	9.60%	6.45%	6.70%	7.55%	0.70%	0.30%	0.55%	0.50%	8.80%	2.25%	1.05%	50.15%
Cowichan Community Centre (CVRD)	4.30%	7.20%	5.45%	6.50%	8.75%	1.25%	0.70%	0.35%	0.55%	7.00%	0.85%	3.35%	53.75%
Cowichan Lake Sports Arena (CVRD)	3.10%	3.15%	2.30%	0.55%	3.40%	9.15%	0.55%	0.25%	14.10%	3.60%	30.55%	5.50%	23.80%
Cowichan Performing Arts Centre (CVRD)	5.55%	7.60%	7.10%	6.65%	7.70%	1.30%	1.60%	0.65%	0.80%	7.80%	1.85%	3.55%	47.85%
Cowichan Sportsplex	3.80%	7.80%	3.35%	4.10%	7.05%	1.10%	0.70%	0.50%	0.95%	4.00%	2.85%	4.10%	59.70%
Frank Jameson Community Centre (TOL)	0.35%	0.85%	0.25%	0.65%	0.55%	0.35%	6.95%	11.55%	0.15%	0.50%	0.65%	63.50%	13.70%
Fuller Lake Arena (MNC)	0.95%	0.75%	0.35%	1.60%	8.60%	1.15%	4.50%	1.35%	0.45%	2.75%	1.65%	23.40%	52.50%
Kerry Park Recreation Centre (CVRD)	19.45%	37.50%	15.70%	9.65%	3.25%	0.25%	0.00%	0.05%	0.10%	1.70%	0.05%	0.20%	12.10%
Shawnigan Lake Community Centre (CVRD)	11.35%	69.85%	8.65%	2.45%	0.75%	0.10%	0.30%	0.00%	0.10%	1.10%	0.10%	0.00%	5.25%