

**Date:** Tuesday, May 28, 2019

**To:** Nikki Gilmore, Chief Administrative Officer

**From:** Sheena Fraser, Manager of Corporate & Legislative Services

**Subject:** Alternative Approval Process  
Downtown Enhancement Project Contingency and Downtown Barn Parking Lot  
Paving Loan Authorization Bylaw No. 863, 2019.

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### **PURPOSE**

To request authorization to undertake an Alternative Approval Process (AAP) to receive the assent of the electorate to borrow \$980,000 through the Village of Pemberton Downtown Enhancement Project Contingency and Downtown Barn Parking Lot Paving Loan Authorization Bylaw No. 863, 2019.

### **BACKGROUND**

At the Regular Meeting of Council No. 1491, held Tuesday, April 16, 2019, Council considered First, Second and Third Readings of Village of Pemberton Downtown Enhancement Project Contingency and Downtown Barn Parking Lot Paving Loan Authorization Bylaw No. 863, 2019 and the following resolution was passed:

*Moved/Seconded*

***THAT** the Village of Pemberton Downtown Enhancement Contingency and Downtown Barn Parking Lot Paving Loan Authorization Bylaw No. 863, 2019, be given First, Second and Third Reading.*

**CARRIED**

The Bylaw, as certified at Third Reading, along with background reports was submitted to the Ministry of Municipal Affairs and Housing for review and approval by the Inspector of Municipalities. In this regard, on May 22, 2019 the Village was advised that it had received the statutory authorization to proceed with the next steps and seek approval of the electorate via an Alternative Approval Process. (**Appendix A** - *A copy of the approval will be provided at the Council Meeting*)

In order to borrow funds over a period longer than five (5) years, Municipalities are required to seek approval of the electorate through an Alternative Approval Process (AAP) or assent of the electorate by Referendum. Both processes provide the electors an opportunity to indicate whether Council may or may not proceed with the borrowing bylaw.

An AAP establishes an Elector Response Form (ERF), which is made available at the Village Office or downloadable from the Village website. This is a form that an elector may sign if they are in opposition of the bylaw. The form is attached as **Appendix B**. The number of responses required to oppose the bylaw is calculated as 10% of the eligible voters within the Municipality

as reported in the most current Census (2016). An APP is much less expensive to facilitate than a Referendum.

It is recommended that for the purposes of the Downtown Enhancement Project Contingency and Downtown Barn Parking Lot Paving Loan Authorization the Village seeks the approval of the electorate through the AAP process.

### Loan Authorization Bylaw Timeline:

To undertake the process for long term borrowing with the Municipal Finance Authority (MFA) through an Alternative Approval Process a municipality must follow a process as set out in the *Community Charter (CC)* and/or *Local Government Act (LGA)*. The Village has completed steps one and two and has received the Statutory Approval from the Inspector of Municipalities as noted in the table below:

| Description of Activity  | Section                                 | Estimated Timelines   |
|--|---|---|
| 1. Municipal Loan Authorization Bylaw – initial three readings   | <i>Community Charter</i><br>Section 179 | April 16, 2019<br>(Regular Council Meeting)<br><b>COMPLETED</b>                       |
| 2. Submission to Ministry of Community Services (MCS) for review and approval by Inspector of Municipalities   | <i>Community Charter</i><br>Section 179 | May 6, 2019<br>(Submission sent)<br>May 22, 2019<br>(Approval Received)               |
| 3. After receipt of approval from Inspector, carry out AAP <ul style="list-style-type: none"> <li>Report to Council to establish AAP date</li> <li>Place ads in paper</li> <li>Have response forms available at Village Office and on the website</li> </ul> | <i>Community Charter</i><br>Section 94  | May 28, 2019<br><br>May 30 <sup>th</sup> and June 6 <sup>th</sup><br><br>June 6, 2019 |
| Process runs for a least thirty (30) days from day after the last advertisement (July 8, 2019)   |   |   |

Following the completion of the AAP, Village Council must receive the results of the AAP and adopt the Loan Authorization Bylaw. The table below outlines next steps and the timeline for completion with an aim to make submission to the Municipal Finance Authority in the spring 2020.

| Description of Activity  | Section                    | Estimated Timelines                       |
|--|----------------------------|---|
| 4. Receive results from AAP process and adoption of loan authorization bylaw |                            | July 9, 2019<br>(Regular Council Meeting) |
| One (1) Month Quashing Period ( <i>LGA</i> Section 262)<br>(August 6, 2019)  |                            |   |
| 5. Application to MCS for a Certificate of Approval                          | <i>LGA</i><br>Section 1022 | August 7, 2019<br>(anticipate 7-10 days)  |

|  |   |  |
|--|---|--|
| 6. Municipal Security Issuing Resolution passed  | <i>Community Charter</i><br>Section 122 | September 10, 2019<br>(Regular Council Meeting)                              |
| 7. Resolution sent to the Regional District  |   | September 11, 2019   |
| 8. Regional District to prepare and issue Security Issuing Bylaw (all reading done in one meeting) | <i>Community Charter</i><br>Section 182 | September 18, 2019<br>(SLRD Board Meeting based on current meeting schedule) |
| Ten (10) day quashing period   |   |  |
| 9. Regional District to seek Inspector of Municipalities' Certificate of Approval                  |   | September 30, 2019   |
| Information to MFA for Spring Debenture– October, 2019   |   |  |
| Issuance of Funds – Spring 2020  |   |  |

If there is a need to secure interim borrowing until the submission to MFA can be made it can be accommodated by bringing forward an interim borrowing bylaw to secure interim funding on a short term basis to bridge the gap. This will only be required if there is a need.

### **DISCUSSION & COMMENTS**

At this time, the Village is undertaking step three (3) of the process, which as per Section 86 of the *Community Charter* requires that, Council:

- a) Establish the deadline for receipt of elector responses (at least 30 days after the second publication of Notice)
- b) Establish the Elector Response Forms (ERF); and
- c) Make a fair determination of the total number of electors to which the approval process applies (in this case, the entire municipality)

#### **a) Deadline for receipt of Elector Responses**

If Council approves the AAP at this meeting, the second publication of the Notice will be issued in the Pique Newsmagazine on Thursday, June 6, 2019. As such, the deadline for receipt of elector responses will be set as Monday, July 8, 2019 taking into consideration the requirements for the calculation of time as established in the *Interpretation Act*.

#### **b) Elector Response Forms (ERF)**

The proposed “Alternative Approval Elector Response Form” is attached as **Appendix B**. The Form will be made available at the Village Office and on the Village website. Electors who do not wish Council to proceed with the adoption of the Downtown Enhancement Contingency and Downtown Barn Parking Lot Paving Loan Authorization Bylaw No. 863, 2019 may submit a completed ERF to the Corporate Officer by hand delivery, facsimile or email by Monday, July 8,

2019 at 4:00 p.m. Additional information defining resident and non-resident electors is provided on the Village website on the Elections Page (Voter Information).

### **c) Number of Electors**

Section 86 of the *Community Charter* states that Council “*must make a fair determination of the total number of electors of the area to which the approval process applies*”. As the entire Village is included as part of Bylaw No. 863, 2019, the total number of electors must be those in the entire municipality. According to the 2016 Census, the number for eligible voters has been determined at 1995 (**Appendix C**). Ten percent (10%) of 1995 (or 195) elector response forms would be required to be received by the Village for Bylaw No. 863, 2019 to be deemed to have not received approval of the electors.

### **COMMUNICATIONS**

As per Section 94 of the *Community Charter*, Notice to the Public will be issued on the dates set out in the table above. Notice will also be provided on the Village’s Blog and Website, at the Village Public Notice boards, the Village’s Facebook Page and via the ENEWS. Information related to the Downtown Enhancement Project is available on the Village website (Downtown Enhancement Project).

### **LEGAL CONSIDERATIONS**

There are no legal considerations at this time. The holding of an Alternative Approval Process meets with the legislation as set out in the *Local Government Act* and the *Community Charter*.

### **IMPACT ON BUDGET & STAFFING**

There will be costs associated with the administration of the AAP and those will be absorbed in-house and can be accommodated as part of the day to day operations of the Corporate & Legislative Services Department.

The advertising costs associated with the AAP are expected to be approximately \$1,000.

### **INTERDEPARTMENTAL IMPACT & APPROVAL**

The remaining steps in completing the AAP will be facilitated by the Office of the CAO and Corporate and Legislative Services. This initiative will be incorporated into the daily routine and yearly work plan of all departments and can be accommodated.

### **IMPACT ON THE REGION OR NEIGHBOURING JURISDICTIONS**

The holding the Alternative Approval Process to seek the approval of the electorate to borrow funds to cover the costs associated with the contingency required for the Downtown Enhancement Project and the costs to facilitate the paving of the Downtown Barn parking lot does not have any impact on the Region or neighbouring jurisdictions.

### **ALTERNATIVE OPTIONS**

There are no recommended alternative options at this time.

### **POTENTIAL GOVERNANCE CONSIDERATIONS**

Undertaking an Alternative Approval Process to seek the assent of the electorate for the Downtown Enhancement Project Contingency and Downtown Barn Parking Lot Paving Loan Authorization Bylaw No. 863, 2019 meets with Strategic Theme Two: Good Governance being an open and accountable government and to fiscal responsibility and is in alignment with the 2019-2023 Five Year Financial Plan Bylaw No. 857, 2019 as adopted April 16, 2019.

### **RECOMMENDATIONS**

**THAT** Council proceed with an Alternative Approval Process to borrow funds to cover the costs associated with the contingency required for the Downtown Enhancement Project and the costs to facilitate the paving of the Downtown Barn parking lot;

**AND THAT** Council establish Monday, July 8, at 4:00 p.m. as the deadline for receipt of elector response forms from electors not wanting Council to proceed with the adoption of Downtown Enhancement Project Contingency and Downtown Barn Parking Lot Paving Loan Authorization Bylaw No 863, 2019;

**AND THAT** Council establish the Elector Response Form as shown presented;

**AND THAT** Council determine the total number of electors as 1995 for which the alternative approval process applies as presented.

### **ATTACHMENTS:**

- Appendix A: Statutory Authorization to Proceed (to be provided at the Council Meeting)
- Appendix B: Electoral Response Form
- Appendix C: Determination of Total Number of Electors within the Village of Pemberton

|                   |  |
|-------------------|--|
| Manager Approval: | Sheena Fraser, Manager of Corporate & Legislative Services |
| CAO Approval by:  | Nikki Gilmore, Chief Administrative Officer                |



RECEIVED

MAY 28 2019

Village of Pemberton

V30-22

May 22, 2019

Chief Administrative Officer  
Village of Pemberton  
BOX 100  
Pemberton BC V0N 2L0

Re: **“Downtown Enhancement Project Contingency and Downtown Barn Parking Lot Paving Loan Authorization Bylaw No. 863, 2019”**

Enclosed is one copy of the above bylaw approved under the provisions of section 179 of the *Community Charter* (Charter).

Council may now proceed with the alternative approval process in accordance with section 86 of the Charter. Council must establish the deadline for receiving elector response forms.

The notice of the alternative approval process must be published in at least two issues of a newspaper, with the second publication at least 30 days before the deadline for receiving elector response forms. **As per the *Interpretation Act* the last newspaper publication date, or last issuance of notice by alternative means, and the deadline date are not included as part of the 30 days.** The notice must meet the requirements of section 86 and 94 of the Charter.

Additionally, if the proposed borrowing will cause an increase in fees, charges or taxes, it is recommended the reason(s) for the increase and the impact on the average residential property are included in the notice.

If the number of elector response forms received is less than 10% of the number of electors of the area to which the approval process applies, Council may proceed with adoption of the bylaw.

Upon expiration of the statutory quashing period, which extends for one month commencing after the date of adoption, application may be made for a Certificate of Approval. At the time of submission, one adopted copy of the bylaw, a completed copy of the Corporate Officer's Certificate and the AAP notice are required.

Sincerely,

Scott Leitch  
Governance Analyst



# ***Statutory Approval***

***Under the provisions of sections*** \_\_\_\_\_ **179** \_\_\_\_\_

***of the*** \_\_\_\_\_ **Community Charter** \_\_\_\_\_

***I hereby approve Bylaw No.*** \_\_\_\_\_ **863** \_\_\_\_\_

***of the*** \_\_\_\_\_ **Village of Pemberton** \_\_\_\_\_,

***a copy of which is attached hereto.***

***Dated this***        **22**        ***day***

***of***                **May**                **, 2019**

**Deputy Inspector of Municipalities**

**VILLAGE OF PEMBERTON**

**BYLAW No. 863, 2019**

**Downtown Enhancement Contingency and Downtown Barn Parking Lot Paving  
Loan Authorization Bylaw**

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Being a By-law to authorize the borrowing to cover contingency and the Downtown Barn parking lot paving costs related to the Downtown Enhancement Project.

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**WHEREAS** it is deemed necessary to improve infrastructure works within the Village of Pemberton;

**AND WHEREAS** the estimated cost of the contingency and barn parking lot paving to complete the project thereto is the sum of \$980,000 of which \$980,000 is the amount of debt created by this bylaw;

**NOW THEREFORE**, the Council of the Village of Pemberton in open meeting assembled enacts as follows:

1. The Council is hereby empowered and authorized to undertake and carry out, or cause to be carried out the Downtown Enhancement Project in accordance with the established budget for the project and to do all things necessary in connection therewith for the benefit of the properties with the Village of Pemberton and without limiting the generality of the foregoing:
  - a) To borrow upon the credit of the Municipality a sum not exceeding \$980,000.
2. The maximum term for which debentures may be issued to secure the debt created by this bylaw is twenty (20) years.
3. This bylaw may be cited as "Downtown Enhancement Project Contingency and Downtown Barn Parking Lot Paving Loan Authorization Bylaw No. 863, 2019".

**READ A FIRST TIME** this 16<sup>th</sup> day of April, 2019

**READ A SECOND TIME** this 16<sup>th</sup> day of April, 2019.

**READ A THIRD TIME** this 16<sup>th</sup> day of April, 2019.

**APPROVED BY THE INSPECTOR OF MUNICIPALITIES** this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**APPROVAL OF THE ELECTORS RECEIVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

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Mike Richman  
Mayor

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Sheena Fraser  
Corporate Officer

This is to certify that this is a true and correct copy of Village of Pemberton Bylaw No. 863, 2019 as at Third Reading at Council at Meeting No. 1491, held Tuesday, April 16, 2019.  
*Sheena Fraser*  
Corporate Officer



**CORPORATE OFFICER'S CERTIFICATE** (Form CO1)

The (here insert the full corporate name of the local government) (the "Local Government")

The undersigned, Corporate Officer, as the person responsible for corporate administration of the Local Government under section 148 of the *Community Charter* (the *Charter*) or section 236 of the *Local Government Act*, hereby certifies as follows:

1. That Loan Authorization Bylaw No. \_\_\_\_\_ (the "Loan Authorization Bylaw") was ~~duly and properly enacted in accordance with the provisions of the local government~~ legislation at a duly constituted meeting of the Local Government in accordance with the requirements of the Local Government's applicable procedure bylaw and at which a quorum was present and acting throughout. **(Attached is an adopted copy of the Loan Authorization Bylaw)**
2. That the Loan Authorization Bylaw has not been amended or repealed and is in full force and effect as at the date hereof.
3. That the Local Government has obtained the approval of the electors under section 180 of the *Charter* or section 407 of the *Local Government Act* for the adoption of the Loan Authorization Bylaw by one of the following methods:
  - Assent of the electors** was obtained by a vote held on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ and the chief election officer published notice of the voting in a newspaper on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_. Or, if publication in a newspaper was not practicable, the notice was given to the public by alternative means being \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_. **(A copy of the notice is attached)** or;
  - An **alternative approval process** and for that purpose notice was published in two separate issues of a newspaper and the date of the last publication of the notice was the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_. Or, if publication in a newspaper was not practicable, the notice was given by alternative means being \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ **(A copy of the notice is attached)** or;
  - A **petition** in relation to a municipal local area service or in relation to a regional district electoral area service that was requested by the area electors and the petition contemplated the borrowing or;

- A **council initiative** in relation to a municipal local area service and for that purpose notice was published in two separate issues of a newspaper and the date of the last publication of the notice was on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_. Or, as publication in a newspaper was not practicable, the notice was given by alternative means being \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_. **(A copy of the notice is attached)**
- For municipal participating area that is all of the municipality, consent given in accordance with section 346 [*consent on behalf of municipal participating area*] of the *Local Government Act*.

4. No application has been made or action or proceeding brought to quash or to set aside the Loan Authorization Bylaw under section 623 of the *Local Government Act* or otherwise and the validity of the Loan Authorization Bylaw has not been attacked, questioned or adjudicated in any court and to the best of the knowledge of the undersigned no such action is pending or has been threatened and the undersigned knows of no objections to the validity of the Loan Authorization Bylaw.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Corporate Officer

\_\_\_\_\_  
(Please print full name)

## ALTERNATIVE APPROVAL ELECTOR RESPONSE FORM

**A resident elector must:**

1. Be a Canadian Citizen
2. Be an individual who is age eighteen (18) or older
3. Have been a resident of BC for a least the past six (6) months
4. Have been a Village of Pemberton resident for a least the last 30 days
5. Not be disqualified by the *Local Government Act* or any other enactment from voting in an election or otherwise disqualified by law

**A non-resident property elector must:**

1. Not be entitled to register as a resident elector
2. Be a Canadian Citizen
3. Be an individual who is age eighteen (18) or older
4. Have been a resident of BC for a least the past six (6) months
5. Have been a registered property owner with the Village of Pemberton for at least the last thirty (30) days
6. Must not be disqualified by the *Local Government Act* or any other enactment from voting in an election or otherwise disqualified by law.

The undersigned elector of the Village of Pemberton hereby petitions the Council of the Village of Pemberton not to proceed with the adoption of “*Village of Pemberton Downtown Enhancement Contingency and Downtown Barn Parking Lot Paving Loan Authorization Bylaw No. 863, 2019*” being a bylaw authorizing the borrowing of \$980,000, the estimated cost of the Village’s contribution towards the Downtown Enhancement Project Contingency and Downtown Parking Lot Paving Project.

| Elector’s Full Name<br>(print – no initials) | Residential Address | Property Address<br>(for non-resident<br>electors only) | Signature of Elector |
|--|---------------------|---|----------------------|
|  |                     |   |                      |

I am an elector of the Village of Pemberton. By my signature, I hereby indicate that Council **should not** proceed with the adoption of the *Village of Pemberton Downtown Enhancement Contingency and Downtown Barn Parking Lot Paving Loan Authorization Bylaw No. 863, 2019* unless that bylaw is approved by approval of the electors. Loan Authorization Bylaw No. 863, 2019 will be deemed to have received the approval of the electors unless Alternative Approval Elector Response Forms petitioning against the bylaw have been received from ten (10) percent of the eligible electors of the Village of Pemberton.

A person who presents an Alternative Approval Elector Response Form to another person for signing must not knowingly make any false or misleading statements about the proposed bylaw.

**Use one Alternative Approval Elector Response Form for each elector.**

**DEADLINE FOR RECEIPT OF SIGNED FORMS is Monday, July 8, 2019 at 4:00pm** (postmarks not accepted) to:

Village of Pemberton, Attention: Corporate Officer  
 PO Box 100 | 7400 Prospect Street  
 Pemberton, BC V0N 2L0



## Determination of Total Number of Electors

Under section 86 (3) (c ) of the *Community Charter*, Council of the Village of Pemberton is required to make a fair determination of the total number of electors of the municipality to establish the threshold which must be set for the use of the alternative approval process contained in the Community Charter.

- The population in the 2016 Census indicates that the Village of Pemberton's population was 2,574.
- The 2016 Census data showing population broken down by age category indicates as at 2016 the population fifteen (15) years and over was 1995.
- Based on the fact that those who were fifteen (15) years of age in 2016 will be eligible voting age as of 2019, the fair determination of eligible electors in the Village of Pemberton is 1995.

Sheena Fraser  
Manager of Corporate & Legislative Services  
May 13, 2019

**Date:** April 16, 2019  
**To:** Council  
**From:** Nikki Gilmore, Chief Administrative Officer  
**Subject:** Downtown Enhancement Project Contingency and Downtown Barn Parking Lot Paving Loan Authorization Bylaw No. 863, 2019

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### **PURPOSE**

The purpose of this report is to present to Council the Downtown Enhancement Contingency and Downtown Barn Parking Lot Paving Loan Authorization Bylaw No. 863, 2019 for First, Second and Third Readings (**Appendix A**).

### **BACKGROUND**

In February 2018 the Village was informed that it was a successful applicant for the Federal Gas Tax Fund for the Downtown Enhancement Project in the amount of \$5.3 million dollars.

Since that time, Staff worked with the Village Engineers to develop preliminary design drawings and met with the Downtown Business Owners on a number of occasions to share the scope of the project and estimated timelines. Comments and suggestions were provided to Staff by the businesses and where appropriate, were incorporated into the design.

Following completion of the final design, the Village issued an Invitation to Tender for the Downtown Enhancement Project. The Tender documents were placed on BC Bid and the Village website on September 12, 2018. It was also posted on Facebook and shared through the Village ENews. The Tender closed on Thursday, October 11, 2018. Unfortunately, the bids received were over the project budget. The Downtown Enhancement Project Tender was reissued on November 26, 2018 and closed on Wednesday, January 16, 2019.

At the Regular Meeting of Council held on Tuesday, February 5, 2019, Council rose with report from In Camera held earlier that day with the following resolutions:

***THAT** Council awards the contract to Hazelwood Construction Services Inc. in the amount of \$5,870,857.74, for the Downtown Enhancement Project.*

**CARRIED**

***THAT** parking lot located on the North Side of the Downtown Barn be paved and the costs associated with the paving be incorporated into the loan authorization bylaw*

**CARRIED**

***THAT Staff be directed to prepare a Loan Authorization Bylaw to borrow funding, in the amount up to \$980,000, to cover the costs for the contingency component of the Downtown Enhancement Project and the paving of the Downtown Community Barn parking lot as may be required.***

**CARRIED**

With the acceptance of the winning bid the Village now must move forward to secure the funds through long term borrowing to cover the costs of the contingency (\$880,000) and the Downtown Barn parking lot (\$100,000).

### **DISCUSSION & COMMENTS**

Council has received and accepted a bid, in the amount of \$5,870,857.74, for the Downtown Enhancement Project and supported an additional expenditure, in the amount of \$980,000, for contingency and the Downtown Barn Parking Lot Paving for a total project cost of \$6,850,857.74. A breakdown of the total project cost and funding sources is included under the Impact on Budget & Staffing section of this report.

### **Impacts to Taxpayers**

Proceeds on the loan request will be 98.40% of the gross amount of the loan. In addition, 1.00% is deducted by the Municipal Finance Authority (MFA) for security against loan default (this is held in trust by the MFA in its Debt Reserve Fund and will be refunded to clients, with interest, at loan expiry). The other 0.60% is deducted as issue expenses to cover the costs of raising money (Bank Syndicate costs). The maximum loan amount required to cover the capital cost is \$980,000, which is made up of the costs of the contingency \$880,000, the Downtown Barn Parking Lot paving \$100,000, the Security \$9,800 and the Debt Reserve Fund \$5,880. The borrowing of funds for the Contingency and Downtown Barn Parking Lot Paving portion of the Downtown Enhancement Project has been included in the 2019 - 2023 Five Year Financial Plan in the year 2020.

Current lending rates set by the MFA are 2.72% for the first ten (10) years. Loan requests with terms greater than ten (10) years will receive this lending rate for the first ten (10) years of their loan and at the end of ten (10) years; the relending rate will be reset at the current MFA market rate for a period to be determined at that point (likely five (5) years).

Principal repayments will occur annually, commencing one (1) year after funds is received. Associated with each principal payment is an "actuarial adjustment" which is a 'non-cash reduction' of the loan balance. Actuarials are the expected earning that the MFA anticipates it will realize on each principal repayment.

The chart below shows tax implications to sample of Village of Pemberton residents and businesses on securing the new debt:

**20 Year Loan**

| <b>Residential</b>     | <b>Area</b>        | <b>2019<br/>Assessment</b> | <b>2019 Municipal<br/>Tax</b> | <b>\$</b> | <b>980,000.00</b> |
|------------------------|--------------------|----------------------------|-------------------------------|-----------|-------------------|
| <b>Annual Payments</b> |                    |                            |                               | <b>\$</b> | <b>65,871</b>     |
| House                  | Poplar (H)         | <b>767,000</b>             | \$ 1,444.70                   | \$        | 62.81             |
| House                  | Laurel Street (H)  | <b>753,000</b>             | \$ 1,418.33                   | \$        | 61.66             |
| House                  | Hemlock            | <b>894,000</b>             | \$ 1,683.91                   | \$        | 73.21             |
| House                  | Pinewood (H)       | <b>1,098,000</b>           | \$ 2,068.16                   | \$        | 89.92             |
| House                  | Greenwood (H)      | <b>1,091,000</b>           | \$ 2,054.98                   | \$        | 89.34             |
| House                  | Elmwood            | <b>924,000</b>             | \$ 1,740.42                   | \$        | 75.67             |
| Duplex                 | Laburnum           | <b>729,000</b>             | \$ 1,373.13                   | \$        | 59.70             |
| Townhouse              | Flint Street (TH)  | <b>412,600</b>             | \$ 777.16                     | \$        | 33.79             |
| Townhouse              | Park Street (TH)   | <b>574,400</b>             | \$ 1,081.92                   | \$        | 47.04             |
| Townhouse              | Laurel Street (TH) | <b>547,000</b>             | \$ 1,030.31                   | \$        | 44.79             |
| Townhouse              | Vine (TH)          | <b>594,000</b>             | \$ 1,118.84                   | \$        | 48.64             |
| <b>Light Industry</b>  |                    |                            |                               |           |                   |
| Business               | Venture Place      | <b>829,000</b>             | \$ 5,309.04                   | \$        | 230.81            |
| <b>Commercial</b>      |                    |                            |                               |           |                   |
| Business               | Downtown           | <b>2,944,000</b>           | \$ 12,476.79                  | \$        | 542.44            |
| Business               | Downtown           | <b>2,262,000</b>           | \$ 9,586.45                   | \$        | 416.78            |
| Business               | Industrial Park    | <b>2,075,000</b>           | \$ 8,793.93                   | \$        | 382.32            |
| Business               | Industrial Park    | <b>762,900</b>             | \$ 3,233.20                   | \$        | 140.57            |
| <b>Rec./Non-Profit</b> |                    |                            |                               |           |                   |
|                        | Downtown           | <b>120,200</b>             | \$ 226.41                     | \$        | 9.84              |
|                        | Airport            | <b>2,288,000</b>           | \$ 4,309.62                   | \$        | 187.36            |
| <b>Farm</b>            |                    |                            |                               |           |                   |
|                        | Meadows            | <b>23,131</b>              | \$ 43.57                      | \$        | 1.89              |
|                        | Downtown           | <b>25,091</b>              | \$ 47.26                      | \$        | 2.05              |

**Alternative Approval Process:**

In order to borrow funds over a period longer than five (5) years, Municipalities are required to seek approval of the electorate through an Alternative Approval Process (AAP) or assent of the electorate by Referendum. Both processes provide the electors an opportunity to indicate whether Council may or may not proceed with the borrowing bylaw.

An AAP establishes an Elector Response Form (ERF), which may be picked up at the Village Office or downloaded from the Village website, which an elector may sign if they are in opposition of the bylaw. The number of responses required to oppose the bylaw is calculated as 10% of the eligible voters within the Municipality as reported in the most current Census. An APP is much less expensive to facilitate.

It is recommended that for the purposes of the Downtown Enhancement Project Contingency and Downtown Barn Parking Lot Paving Loan Authorization the Village seeks the approval of the electorate through the AAP process.

**Proposed schedule to meet MFA Spring 2020 Debenture In-Take**

The table below outlines the applicable sections of the *Community Charter (CC)* and/or *Local Government Act (LGA)* which establishes the overall processes to undertake long-term borrowing with the Municipal Finance Authority (MFA) through an Alternate Approval Process:

| Description of Activity  | Section                                 | Estimated Timelines  |
|--|---|--|
| 1. Municipal Loan Authorization Bylaw – initial three readings   | <i>Community Charter</i><br>Section 179 | April 16, 2019<br>(Regular Council Meeting)  |
| 2. Submission to Ministry of Community Services (MCS) for review and approval by Inspector of Municipalities   | <i>Community Charter</i><br>Section 179 | April 17, 2019<br>(anticipate 14 days)<br>May 7, 2019                                  |
| 3. After receipt of approval from Inspector, carry out AAP <ul style="list-style-type: none"> <li>• Report to Council to establish AAP date</li> <li>• Place ads in paper</li> <li>• Have response forms available at Village Office and on the website</li> </ul> | <i>Community Charter</i><br>Section 94  | May 28, 2019<br><br>May 30 <sup>th</sup> and June 6 <sup>th</sup><br><br>June 7, 2019  |
| Process runs for a least 30 days from day after the last advertisement (July 8, 2019)  |   |  |
| 4. Receive results from AAP process and adoption of loan authorization bylaw   |   | July 9, 2019<br>(Regular Council Meeting)  |
| One Month Quashing Period ( <i>LGA</i> Section 262)<br>(August 6, 2019)  |   |  |
| 5. Application to MCS for a Certificate of Approval  | <i>LGA</i><br>Section 1022              | August 7, 2019<br>(anticipate 7-10 days)   |
| 6. Municipal Security Issuing Resolution passed (sent to the Regional District)  | <i>Community Charter</i><br>Section 122 | August 22, 2019<br>(Special Council Meeting would need to be held due to summer break) |
| 7. Regional District to prepare and issue Security Issuing Bylaw (all reading done in one meeting)   | <i>Community Charter</i><br>Section 182 | August 28, 2019<br>(SLRD Board Meeting based on current meeting schedule)              |
| 10 day quashing period   |   |  |
| 8. Regional District to seek Inspector of Municipalities' Certificate of Approval  |   | September 9, 2019  |
|  |   |  |
| Information to MFA for Spring Debenture and Issuance of Funds – September 10, 2019   |   |  |



At this time, the Village is undertaking step one (1) of the process, which requires Council to give three readings to the Loan Authorization Bylaw. Once Readings have been received Staff will forward the Bylaw to the Ministry for approval and proceed as per the timeline shown above. It is anticipated that this schedule will enable the Village to meet the deadline for the MFA Spring 2020 Debenture intake; however, in the event that funds are required in advance of the Spring the Village would be entitled to secure interim borrowing under this bylaw to bridge the gap.

At this time, it is not known what portion of the contingency will be required to fund the Downtown Enhancement Project. Only those funds necessary will be secured by way of the loan authorization bylaw.

### **COMMUNICATIONS**

Upon receipt of approval from the Ministry as shown in Section 3 of the timeline above the Village will be required to issue a Public Notice that it will hold an AAP. As per Section 94 of the *Community Charter*, this notice will be issued once each week for two (2) consecutive weeks in the local newspaper as well as through the ENews, the Village Website and Facebook Page.

### **LEGAL CONSIDERATIONS**

There are no legal considerations at this time.

### **IMPACT ON BUDGET & STAFFING**

As noted above, the borrowing has been included in the 2019 – 2023 Five Year Financial Plan and can be accommodated.

It is estimated that the cost to undertake an Alternative Approval Process will be \$1,000 to cover the costs associated with administering the AAP and advertising as per the requirements of the *Community Charter*.

### **INTERDEPARTMENTAL IMPACT & APPROVAL**

Upon receipt of the approval of the loan authorization bylaw from the Ministry and direction of Council to hold an Alternative Approval Process Corporate & Legislative Services will be responsible for undertaking the AAP. This AAP can be accommodated as it falls under the legislative responsibilities of this Department.

|                                |  |
|--------------------------------|--|
| Interdepartmental Approval by: | Sheena Fraser, Manager of Corporate & Legislative Services |
|--------------------------------|--|

### **IMPACT ON THE REGION OR NEIGHBOURING JURISDICTIONS**

There are no impacts on the region or neighboring jurisdictions.

### **ALTERNATIVE OPTIONS**

There are no suggested alternative options at this time.

**POTENTIAL GOVERNANCE CONSIDERATIONS**

Consideration of the Downtown Enhancement Project Contingency and Downtown Barn Parking Lot Paving Loan Authorization Bylaw No. 863, 2019 for First, Second and Third Readings meets with Strategic Theme Two: Good Governance being an open and accountable government. It also meets with Strategic Priority Theme Three: Excellence in Service by ensuring that the Village continues to deliver the highest quality of municipal services within the scope of our resources.

**RECOMMENDATION**

**THAT** Council give First, Second and Third Readings to the Downtown Enhancement Project Contingency and Downtown Barn Parking Lot Paving Loan Authorization Bylaw No. 863, 2019.

**Attachments:**

**Appendix A:** Amortization Schedule

|               |   |
|---------------|---|
| Submitted by: | Nikki Gilmore, Chief Administrative Officer |
|---------------|---|

APPENDIX A

**20 Year Term**

*3% Capitalization Rate*

*S/F Factor:*

*0.037215708*

Principal: 980,000.00

Interest Rate: 3.00%

|                   | Principal Pymnt   | Interest Pymnt    | Total Pymnt         | Actuarial         | Reducing Balance |
|-------------------|-------------------|-------------------|---------------------|-------------------|------------------|
|                   |                   |                   |                     |                   | 980,000.00       |
| Yr 1 Semi Annual  |                   | 14,700.00         | 14,700.00           |                   | 980,000.00       |
| Yr 1 Annual       | 36,471.39         | 14,700.00         | 51,171.39           |                   | 943,528.61       |
| Yr 2 Semi Annual  |                   | 14,700.00         | 14,700.00           |                   | 943,528.61       |
| Yr 2 Annual       | 36,471.39         | 14,700.00         | 51,171.39           | 1,094.14          | 905,963.07       |
| Yr 3 Semi Annual  |                   | 14,700.00         | 14,700.00           |                   | 905,963.07       |
| Yr 3 Annual       | 36,471.39         | 14,700.00         | 51,171.39           | 2,221.11          | 867,270.57       |
| Yr 4 Semi Annual  |                   | 14,700.00         | 14,700.00           |                   | 867,270.57       |
| Yr 4 Annual       | 36,471.39         | 14,700.00         | 51,171.39           | 3,381.88          | 827,417.29       |
| Yr 5 Semi Annual  |                   | 14,700.00         | 14,700.00           |                   | 827,417.29       |
| Yr 5 Annual       | 36,471.39         | 14,700.00         | 51,171.39           | 4,577.48          | 786,368.42       |
| Yr 6 Semi Annual  |                   | 14,700.00         | 14,700.00           |                   | 786,368.42       |
| Yr 6 Annual       | 36,471.39         | 14,700.00         | 51,171.39           | 5,808.95          | 744,088.08       |
| Yr 7 Semi Annual  |                   | 14,700.00         | 14,700.00           |                   | 744,088.08       |
| Yr 7 Annual       | 36,471.39         | 14,700.00         | 51,171.39           | 7,077.36          | 700,539.33       |
| Yr 8 Semi Annual  |                   | 14,700.00         | 14,700.00           |                   | 700,539.33       |
| Yr 8 Annual       | 36,471.39         | 14,700.00         | 51,171.39           | 8,383.82          | 655,684.11       |
| Yr 9 Semi Annual  |                   | 14,700.00         | 14,700.00           |                   | 655,684.11       |
| Yr 9 Annual       | 36,471.39         | 14,700.00         | 51,171.39           | 9,729.48          | 609,483.24       |
| Yr 10 Semi Annual |                   | 14,700.00         | 14,700.00           |                   | 609,483.24       |
| Yr 10 Annual      | 36,471.39         | 14,700.00         | 51,171.39           | 11,115.50         | 561,896.35       |
| Yr 11 Semi Annual |                   | 14,700.00         | 14,700.00           |                   | 561,896.35       |
| Yr 11 Annual      | 36,471.39         | 14,700.00         | 51,171.39           | 12,543.11         | 512,881.84       |
| Yr 12 Semi Annual |                   | 14,700.00         | 14,700.00           |                   | 512,881.84       |
| Yr 12 Annual      | 36,471.39         | 14,700.00         | 51,171.39           | 14,013.54         | 462,396.91       |
| Yr 13 Semi Annual |                   | 14,700.00         | 14,700.00           |                   | 462,396.91       |
| Yr 13 Annual      | 36,471.39         | 14,700.00         | 51,171.39           | 15,528.09         | 410,397.42       |
| Yr 14 Semi Annual |                   | 14,700.00         | 14,700.00           |                   | 410,397.42       |
| Yr 14 Annual      | 36,471.39         | 14,700.00         | 51,171.39           | 17,088.08         | 356,837.95       |
| Yr 15 Semi Annual |                   | 14,700.00         | 14,700.00           |                   | 356,837.95       |
| Yr 15 Annual      | 36,471.39         | 14,700.00         | 51,171.39           | 18,694.86         | 301,671.69       |
| Yr 16 Semi Annual |                   | 14,700.00         | 14,700.00           |                   | 301,671.69       |
| Yr 16 Annual      | 36,471.39         | 14,700.00         | 51,171.39           | 20,349.85         | 244,850.45       |
| Yr 17 Semi Annual |                   | 14,700.00         | 14,700.00           |                   | 244,850.45       |
| Yr 17 Annual      | 36,471.39         | 14,700.00         | 51,171.39           | 22,054.49         | 186,324.57       |
| Yr 18 Semi Annual |                   | 14,700.00         | 14,700.00           |                   | 186,324.57       |
| Yr 18 Annual      | 36,471.39         | 14,700.00         | 51,171.39           | 23,810.26         | 126,042.92       |
| Yr 19 Semi Annual |                   | 14,700.00         | 14,700.00           |                   | 126,042.92       |
| Yr 19 Annual      | 36,471.39         | 14,700.00         | 51,171.39           | 25,618.71         | 63,952.81        |
| Yr 20 Semi Annual |                   | 14,700.00         | 14,700.00           |                   | 63,952.81        |
| Yr 20 Annual      | 36,471.39         | 14,700.00         | 51,171.39           | 27,481.42         | -0.00            |
| <b>TOTALS:</b>    | <b>729,427.87</b> | <b>588,000.00</b> | <b>1,317,427.87</b> | <b>250,572.13</b> |                  |

**VILLAGE OF PEMBERTON**

**BYLAW No. 863, 2019**

**Downtown Enhancement Contingency and Downtown Barn Parking Lot Paving  
Loan Authorization Bylaw**

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Being a By-law to authorize the borrowing to cover contingency and the Downtown Barn parking lot paving costs related to the Downtown Enhancement Project.

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**WHEREAS** it is deemed necessary to improve infrastructure works within the Village of Pemberton;

**AND WHEREAS** the estimated cost of the contingency and barn parking lot paving to complete the project thereto is the sum of \$980,000 of which \$980,000 is the amount of debt created by this bylaw;

**NOW THEREFORE**, the Council of the Village of Pemberton in open meeting assembled enacts as follows:

1. The Council is hereby empowered and authorized to undertake and carry out, or cause to be carried out the Downtown Enhancement Project in accordance with the established budget for the project and to do all things necessary in connection therewith for the benefit of the properties with the Village of Pemberton and without limiting the generality of the foregoing:
  - a) To borrow upon the credit of the Municipality a sum not exceeding \$980,000.
2. The maximum term for which debentures may be issued to secure the debt created by this bylaw is twenty (20) years.
3. This bylaw may be cited as "Downtown Enhancement Project Contingency and Downtown Barn Parking Lot Paving Loan Authorization Bylaw No. 863, 2019".

**READ A FIRST TIME** this 16<sup>th</sup> day of April, 2019

**READ A SECOND TIME** this 16<sup>th</sup> day of April, 2019.

**READ A THIRD TIME** this 16<sup>th</sup> day of April, 2019.

**APPROVED BY THE INSPECTOR OF MUNICIPALITIES** this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**APPROVAL OF THE ELECTORS RECEIVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

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Mike Richman  
Mayor

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Sheena Fraser  
Corporate Officer