



# TOWN OF LADYSMITH

A REGULAR MEETING OF THE  
COUNCIL OF THE TOWN OF LADYSMITH  
WILL BE HELD IN COUNCIL CHAMBERS AT CITY HALL ON

MONDAY, MAY 7, 2012

## A G E N D A

5:00 p.m. CALL TO ORDER (Regular Meeting, in order to retire immediately into Executive Session)

### AGENDA APPROVAL

5:00 P.M. EXECUTIVE SESSION (Closed to the Public)

In accordance with Section 90(1) of the *Community Charter*, this section of the meeting will be held *In Camera* to consider the following items:

#### Item One

90(1)(e) The acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality

90(1)(j) Information that is prohibited, or information that if it were presented in a document would be prohibited, from disclosure under section 21 of the *Freedom of Information and Protection of Privacy Act*

90(1)(k) Negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public

6:30 p.m. PUBLIC DIALOGUE WITH COUNCIL

- *This monthly dialogue session will occur the first Monday of each month from 6:30 p.m. to 6:55 p.m.*
- *Attendees are requested to sign a "sign in" sheet at the session*
- *This session does not form part of the Regular Council Meeting*
- *Notes may be taken to reflect the general discussion and points raised, including queries for which a response was not provided during the session. Notes **do not** form part of regular Council minutes*
- *The imposition of a time limit for speakers is at the discretion of the Chair*

7:00 p.m. REGULAR COUNCIL MEETING (Open to the Public)

**1. MINUTES**

- 1.1. Minutes of the Regular Meeting of Council held April 16, 2012 **1 - 5**  
 1.2. Minutes of the Special Meeting of Council held April 23, 2012 **6 - 8**

**2. PUBLIC HEARING**

None

**3. BYLAWS (OCP / ZONING)**

None

**4. DELEGATIONS**

- 4.1. Good Neighbours Award Presentations  
 4.2. Jayse Van Ruyen, Candidate, BC Ambassador Program

**5. PROCLAMATIONS**

- 5.1. Mayor Hutchins has proclaimed the month of May 2012 as “Child Find’s Green Ribbon of Hope Month” and May 25<sup>th</sup>, 2012 as “National Missing Children’s Day” in the Town of Ladysmith

**6. DEVELOPMENT APPLICATIONS**

- 6.1. Development Variance Permit Application – 123 Forward Road (Lot A, District Lot 56, Oyster District, Plan 30646) **9 - 11**  
 6.2. Official Community Plan Amendment and Rezoning Application – 340 Second Avenue (Lot B, District Lot 56, Oyster District, Plan VIP65504) **12 - 16**  
 6.3. Rezoning Application – 320 Fourth Avenue Extension (Lot 5, District Lot 56, Oyster District, Plan 965, except part in Plan 31211) **17 - 23**

**7. COUNCIL COMMITTEE REPORTS**

- 7.1. Mayor R. Hutchins  
 Cowichan Valley Regional District; Ladysmith Chamber of Commerce
- 7.2. Councillor B. Drysdale  
 Heritage Revitalization Advisory Commission; Protective Services Committee;  
 Trolley Committee
- 7.2.1. Heritage Revitalization Advisory Commission Recommendations –  
 April 12, 2012 Meeting **24 - 26**

- 7.3. Councillor J. Dashwood**  
Trolley Committee; Ladysmith Early Years Partnership; Social Planning  
Cowichan Affordable Housing Directorate
- 7.4. Councillor G. Horth**  
Advisory Planning Commission; Liquid Waste Management Committee;  
Ladysmith Downtown Business Association
- 7.5. Councillor D. Paterson**  
Protective Services Committee; Parks, Recreation and Culture Commission;  
Festival of Lights
- 7.6. Councillor G. Patterson**  
Community Health Advisory Committee; Youth Advisory Committee; Liquid  
Waste Management Committee
- 7.7. Councillor S. Arnett**  
Government Services Committee; Advisory Design Panel; Parks, Recreation and  
Culture Commission; Vancouver Island Regional Library Board; Celebrations  
Committee
- 7.7.1. Government Services Committee Recommendations – April  
16, 2012 Meeting** **27**

## **8. STAFF / ADVISORY COMMITTEE REPORTS**

- 8.1. Not-for-Profit Rental Housing Development Cost Charges Reduction – Proposed  
Bylaw** **28 – 34**
- 8.2. Leases of Town-owned Property on the Ladysmith Waterfront (Oyster Bay Drive)** **35 – 40**
- 8.3. Annual Public Works Tenders** **41 – 45**
- 8.4. Audited Financial Statements for 2011 – Proposed Bylaw** **46**

## **9. CORRESPONDENCE**

- 9.1. John McKay, Municipality of North Cowichan  
Request for Letter of Support for Joint Utilities Board Lagoons Outfall Relocation  
and Resource Recovery Project** **47 – 48**

Staff Recommendation

That Council write a letter of support for the Joint Utilities Board Lagoons Outfall Relocation and Resource Recovery Project, as requested by John McKay in his correspondence dated April 5, 2012

- 9.2. Bruce Whittington  
Request for Council to introduce tree protection legislation** **49**

Staff Recommendation

That Council consider whether it wishes to refer the issue of potential tree protection legislation to staff for review and report back to Council.

- |   | <u>Page</u>    |
|---|----------------|
| <p><b>9.3. Duck Paterson, Kinsmen Club of Ladysmith<br/>Request for Waiver of Building Permit Fees for Ramp at Ladysmith Museum</b></p> <p><u>Staff Recommendation</u><br/>That Council consider whether it wishes to waive the building permit fees of \$50 for construction of a ramp at the Ladysmith Museum, as requested by the Kinsmen Club of Ladysmith in their correspondence dated April 25, 2012.</p>                                    | <b>50</b>      |
| <p><b>9.4. Ladysmith Chamber of Commerce<br/>Sponsorship Opportunity – Fifth Annual Gold Tournament</b></p> <p><u>Staff Recommendation</u><br/>That Council consider whether it wishes to sponsor the fifth annual Ladysmith Golf Tournament with a grant-in-aid to come from the \$2,000 remaining in the 2012 grants-in-aid budget, and if so, at what level.</p>   | <b>51</b>      |
| <p><b>9.5. Rajnana Basu, Coordinator, Cowichan Family Caregivers Support Society<br/>Request for Grant-in-Aid for 2012</b></p> <p><u>Staff Recommendation</u><br/>That Council consider whether it wishes to provide a grant-in-aid for 2012 in the amount of \$750.00 to the Cowichan Family Caregivers Society from the \$2,000 remaining in the 2012 grants-in-aid budget, as requested in an e-mail from Rajnana Basu dated April 28, 2012.</p> | <b>52 – 56</b> |
| <p><b>9.6. Rob Waters, President, Ladysmith Chamber of Commerce<br/>Request to partner with the Town of Ladysmith on a joint promotional venture</b></p> <p><u>Staff Recommendation:</u><br/>That Council consider whether it wishes to partner with the Ladysmith Chamber of Commerce in the amount of \$500 on a promotional venture to showcase what the Cowichan Region has to offer visitors in terms of cuisine, arts and culture.</p>        | <b>57 – 61</b> |
| <br><b>10. BYLAWS</b>   |                |
| <p><b>10.1. Town of Ladysmith Sanitary Sewer Rates Bylaw 1999, No. 1299, Amendment<br/>Bylaw 2012, No. 1799</b><br/>May be adopted.</p> <p><i>The purpose of Bylaw 1799 is to establish sewer rates for 2012.</i></p>   | <b>62 – 63</b> |
| <p><b>10.2. Town of Ladysmith Waterworks Regulations Bylaw 1999, No. 1298, Amendment<br/>Bylaw 2012, No. 1800</b><br/>May be adopted.</p> <p><i>The purpose of Bylaw 1800 is to establish water rates for 2012.</i></p>   | <b>64 – 65</b> |
| <p><b>10.3. Town of Ladysmith Financial Plan Bylaw 2012, No. 1801</b><br/>May be read a first, second and third time</p> <p><i>The purpose of Bylaw 1801 is to establish the Town of Ladysmith Financial Plan for 2012 to 2016</i></p>  | <b>66 – 69</b> |

- |   |                 |
|---|-----------------|
| <b>10.4. Town of Ladysmith Tax Rates Bylaw 2012, No. 1802</b>   | <b>70 - 71</b>  |
| May be read a first, second and third time  |                 |
| <i>The purpose of Bylaw 1802 is to set the municipal, regional and hospital tax rates for 2012</i>  |                 |
| <b>10.5. Town of Ladysmith Zoning Bylaw 1995, No. 1160, Amendment Bylaw (No. 89) 2012 No. 1803</b>  | <b>72 - 77</b>  |
| May be read a first and second time and a Public Hearing may be scheduled.  |                 |
| <i>The purpose of Bylaw 1803 is to amend the Zoning Bylaw in order to permit a comprehensive development of 20 single family homes.</i>   |                 |
| <b>10.6. Town of Ladysmith Not-for-Profit Rental Housing Development cost Charges Reduction Bylaw 2012, No. 1804</b>  | <b>78 - 80</b>  |
| May be read a first, second and third time.   |                 |
| <i>The purpose of Bylaw 1804 is to provide for a reduction in development cost charges related to the development of affordable housing, as outlined in a staff report for Council's consideration earlier on the agenda.</i> |                 |
| <b>10.7. Town of Ladysmith 2011 Audited Financial Statements Bylaw 2012, No. 1805</b>   | <b>81 - 116</b> |
| May be read a first, second and third time  |                 |
| <i>The purpose of Bylaw 1805 is to adopt the 2011 audited Financial Statements as authorized expenditures for 2011.</i>   |                 |

**11. NEW BUSINESS****12. UNFINISHED BUSINESS**

None

**13. QUESTION PERIOD**

- Persons wishing to address Council during “Question Period” must be Town of Ladysmith residents, non-resident property owners, or operators of a business.
- Individuals must state their name and address for identification purposes
- Questions must relate strictly to matters which appear on the Council agenda at which the individual is speaking
- Questions put forth must be on topics which are not normally dealt with by Town staff as a matter of routine
- Questions must be brief and to the point
- Questions shall be addressed through the Chair and answers given likewise. Debates with or by individual Council members or staff members are not allowed
- No commitments shall be made by the Chair in replying to a question. Matters which may require action of the Council shall be referred to a future meeting of the Council

**14. RISE AND REPORT****ADJOURNMENT**





MINUTES OF A MEETING OF COUNCIL OF THE  
TOWN OF LADYSMITH  
HELD IN COUNCIL CHAMBERS AT CITY HALL ON  
MONDAY, APRIL 16, 2012  
EXECUTIVE SESSION – 4:30 P.M.  
REGULAR MEETING – 7:00 P.M.

---

**COUNCIL MEMBERS PRESENT:**

Mayor Rob Hutchins  
Councillor Gord Horth

Councillor Steve Arnett  
Councillor Glenda Patterson

Councillor Bill Drysdale  
Councillor Duck Paterson

**COUNCIL MEMBERS ABSENT:**

Councillor Jill Dashwood

**STAFF PRESENT:**

Ruth Malli  
Patrick Durban

Erin Anderson  
John Manson

Felicity Adams  
Joanna Winter

---

**CALL TO ORDER**

Mayor Hutchins called the Council Meeting to order at 4:30 p.m. in order to retire immediately into Executive Session

**EXECUTIVE SESSION**

CS 2012-110

It was moved, seconded and carried that Council retire into Executive Session in order to discuss the following items in accordance with Section 90(1) of the Community Charter:

**Item 1:**

The acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality

Information that is prohibited, or information that if it were presented in a document would be prohibited, from disclosure under section 21 of the *Freedom of Information and Protection of Privacy Act*

Negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public

**Item 2:**

The acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality

**Item 3:**

Personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality

**Item 4:**

The receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose

**Item 5:**

Litigation of potential litigation affecting the municipality

**CALL TO ORDER**

Mayor Hutchins called the Regular Meeting of Council to order at 7:01 p.m.

**AGENDA APPROVAL**

Mayor Hutchins requested Council's consideration of the following addition to the agenda:

11.1 Government Services Committee recommendation regarding support for the restructuring of Catalyst Paper

**CS 2012-111**

It was moved, seconded and carried that the agenda for the Regular Session of Council for April 16, 2012 be approved as amended.

**MINUTES**

**CS 2012-112**

It was moved, seconded and carried that the minutes of the Regular Meeting of Council held April 2, 2012 be approved as circulated.

**CS 2012-113**

It was moved, seconded and carried that the minutes of the Special Meeting of Council held April 10, 2012 be approved as circulated.

**PROCLAMATIONS**

Mayor Hutchins proclaimed April 28, 2012 as "National Day of Mourning for Workers Killed or Injured on the Job" in the Town of Ladysmith.

**DEVELOPMENT  
APPLICATIONS**

**Development Permit Application – 322 Morgan Road  
(Lot 1, District Lot 42, Oyster District, Plan 8270, except parts in  
Plans 44668, 47403, VIP57744, VIP78842 and VIP80930)**

Director of Development Services Felicity Adams introduced the application and indicated that the recommendation reflects the new approach to riparian protection. The Director of Development Services responded to questions from Council.

**CS 2012-114**

It was moved, seconded and carried Development Permit 3060-11-18 to protect the streamside protection and enhancement area (SPEA) in relation to the subdivision of land and potential residential construction at 322 Morgan Road (Lot 1, District Lot 42, Oyster District, Plan 8270, except parts in Plans 44668, 47403, VIP57744, VIP78842, and VIP80930) be issued, subject to the applicant preparing a conservation covenant to protect the Russell Creek ravine riparian area, and that the Mayor and Corporate Officer be authorized to sign the Development Permit and the Conservation Covenant.

**STAFF / ADVISORY  
COMMITTEE REPORTS**

**2012-2016 Financial Plan Deliberations**

Council discussed the allocation of the Grants-in-Aid budget for 2012.

**CS 2012-115**

It was moved, seconded and carried that the following grants-in-aid for 2012 be included in the 2012 to 2016 Financial Plan, and that \$2,000 be set aside for future considerations, which could include a covered motor scooter parking area at the Ladysmith Seniors Centre:

Arts on the Avenue	\$ 1,000
Ladysmith & District Historical Society	20,000
Ladysmith & District Historical Society Museum	10,000
Ladysmith Celebrations Society	8,000
Ladysmith Festival of Lights	18,000
Ladysmith Fire/Rescue Santa Parade	1,000
Ladysmith Show & Shine	500
Ladysmith & District Marine Rescue Society	1,500
Ladysmith Maritime Society Festival	1,500
Ladysmith Maritime Society Museum	1,000
Ladysmith Resources Centre Assn	8,000
Ladysmith Resources Centre Assn - Victim Services	11,000
Ladysmith Resources Centre Assn - Family Support	8,000
Ladysmith Resources Centre Assn - Youth at Risk	8,000
Arts Council of Ladysmith & District	1,000
Ladysmith Citizens on Patrol	1,500
Ladysmith RCMP Community Policing	1,000
Ladysmith Sportsmens Club	500

Royal Canadian Legion #171	3,000
Ladysmith Senior Advisory Council	950
Central Vancouver Island Crisis Society	500
Ladysmith Ambassador Committee	1,000
Ladysmith Sec School - Frank Jameson Bursary	1,500
Ecole Davis Road Parents Advisory Council	1,500
Royal Canadian Air Cadets	1,000
<b>TOTAL</b>	<b>\$112,950</b>

## BYLAWS

**CS 2012-116** **Town of Ladysmith Water Parcel Tax Bylaw 2012, No. 1796**  
It was moved, seconded and carried that Town of Ladysmith Water Parcel Tax Bylaw 2012, No. 1796 be read a first, second and third time.

**CS 2012-117** **Town of Ladysmith Sewer Parcel Tax Bylaw 2012, No. 1797**  
It was moved, seconded and carried that Town of Ladysmith Sewer Parcel Tax Bylaw 2012, Mo. 1797 be read a first, second and third time.

## NEW BUSINESS

**CS 2012-118** **Government Services Committee Recommendation**  
It was moved, seconded and carried that the a letter of support for the proposed restructuring of Catalyst Paper be written to the Premier of British Columbia as requested in the correspondence from G. and L. Walerius on behalf of the Catalyst Pension Group, dated April 11, 2012.

## QUESTION PERIOD

R. Johnson enquired whether notice of the 4:30 start time for the Executive Session had been posted.

R. Johnson stated that a Council requirement that non-fossil fuels be used to heat homes to be constructed under a Development Permit issued at a previous meeting does not support affordable housing.

## EXECUTIVE SESSION

**CS 2012-119** It was moved, seconded and carried at 7:23 p.m. that the Regular Meeting of Council be adjourned and that Council retire into Executive Session after a three minute recess to continue the previously adjourned Executive Session.

## ARISE AND REPORT

Council arose from Executive Session at 8:50 p.m. with report on the following item:

- Council reappointed Ray Delcourt as Chief of Ladysmith Fire/Rescue for a two year period commencing on April 1, 2012, and acknowledged the election of the following Fire

Department officers for a two year term commencing on April 1, 2012:

- Deputy Chief – Al Delcourt
- Training Officer – Wayne Johnston
- Lieutenant – Matt Rickett
- Lieutenant – Doug Judson
- Lieutenant – Dwain King.

**ADJOURNMENT**

**CS 2012-120**

It was moved, seconded and carried that this meeting of Council be adjourned at 8:50 p.m.

---

Mayor (R. Hutchins)

**CERTIFIED CORRECT**

---

Corporate Officer (S. Bowden)



**MINUTES OF A SPECIAL MEETING OF COUNCIL OF THE  
TOWN OF LADYSMITH  
HELD IN COUNCIL CHAMBERS AT CITY HALL ON  
MONDAY, APRIL 23, 2012  
4:00 P.M.**

---

**COUNCIL MEMBERS PRESENT:**

Mayor Rob Hutchins  
Councillor Jillian Dashwood  
Councillor Gord Horth (entered later)  
Councillor Duck Paterson

Councillor Steve Arnett  
Councillor Bill Drysdale  
Councillor Glenda Patterson

**STAFF PRESENT:**

Ruth Malli  
Patrick Durban

Erin Anderson  
John Manson

Felicity Adams  
Joanna Winter

---

**CALL TO ORDER**

Mayor Hutchins called the Special Council Meeting to order at 4:06 p.m.

**AGENDA APPROVAL**

**CS 2012-121**

It was moved, seconded and carried that the agenda for the Special Meeting of Council for April 23, 2012 be approved as circulated.

**DELEGATION**

**Cara Light, Hayes, Stewart Little (Town Auditors)**

**Presentation of the Financial Statements for the year 2011**

Cara Light, Principal with Hayes, Stewart, Little reviewed the Audit Findings Report for the year 2011 to Council and responded to questions.

Councillor Horth entered the meeting (4:18 p.m.)

Council thanked Ms Light for her presentation.

The Director of Financial Services presented the audited financial statements for the year 2011 to Council and responded to questions. The statements will come before Council for adoption at the next Regular Council meeting.

**PROCLAMATION**

Mayor Hutchins proclaimed the week of April 22 to 28, 2012 as "National Organ Donor Week" in the Town of Ladysmith.

**STAFF / ADVISORY  
COMMITTEE REPORTS**

**2012-2016 Financial Plan Deliberations**

The City Manager presented the proposed 2012 to 2016 Financial Plan for Council's consideration. She reviewed the process that had been followed and noted that the Financial Plan as presented reflects direction received from Council during the budget deliberations.

R. Waters enquired how Council determined staff and service levels in preparing the financial plan, in light of recent staffing cuts proposed by the federal and provincial governments. He was advised that unlike the federal and provincial governments, municipal governments are required by legislation to produce balanced budgets, and that Council takes into consideration the demands and expectations of providing services to a growing population when determining its annual budget.

**BYLAWS**

**CS 2012-122 Town of Ladysmith Financial Plan Bylaw 2012, No. 1801**

It was moved, seconded and carried that Town of Ladysmith Financial Plan Bylaw 2012, No. 1801 be read a first, second and third time.

**CS 2012-123 Town of Ladysmith Tax Rates Bylaw 2012, No. 1802**

It was moved, seconded and carried that Town of Ladysmith Tax Rates Bylaw 2012, No. 1802 be read a first, second and third time.

**QUESTION PERIOD**

Emily McCulskey (Forward Road) enquired whether Council has had the opportunity to consider a bylaw enforcement issue and building permit request with respect to proposed renovations in her home, and was advised that the matter will be coming forward for Council's consideration at an upcoming meeting.

**EXECUTIVE SESSION**

**CS 2012-124**

It was moved, seconded and carried at 4:59 p.m. that Council retire into Executive Session after a three-minute recess in order to discuss the following items in accordance with Section 90(1) of the Community Charter:

**Item 1:**

The acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality

**Item 2:**

The acquisition, disposition or expropriation of land or

improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality

**Item 3:**

The acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality

**Item 4:**

Litigation or potential litigation affecting the municipality

**ARISE AND REPORT**

Council arose from Executive Session at 6:04 p.m. with report on the following items:

- Resolution CE 2012-077 – The Town of Ladysmith intends to enter into lease extensions with Sealegs Kayak Adventures for the use of the building at Transfer Beach Park for a term of five years and a five-year option to renew; and with Joint Ventures Physiotherapy for the use of space at the Frank Jameson Community Centre for a five year term; and the Town of Ladysmith intends to enter into a Licence of Occupation with the Ladysmith Community Gardens Society for the use of an area of High Street Park for a five year term; and notice of the Town's intent will be given in accordance with the *Community Charter*.
- Resolution CE 2012-080 – The Director of Infrastructure Services, John Manson, has been appointed Approving Officer for the Town of Ladysmith, effective immediately, and the Director of Parks, Recreation and Culture, Patrick Durban, will serve as Deputy Approving Officer until May 31, 2012.

**ADJOURNMENT**

CS 2012-125

It was moved, seconded and carried that this meeting of Council be adjourned at 6:05 p.m.

**CERTIFIED CORRECT**

---

Mayor (R. Hutchins)

---

Corporate Officer (S. Bowden)



Town of Ladysmith  
**STAFF REPORT**

To: Ruth Malli, City Manager  
From: Felicity Adams, Director of Development Services  
Date: May 2, 2012  
File No: 3090-12-01

---

Re: Development Variance Permit Application – 123 Forward Road (Hunter)  
Lot A, D.L. 56, Oyster District, Plan 30646

RECOMMENDATION(S):

That Council direct staff to proceed with statutory notice for Development Variance Permit application 3090-12-01 for Lot A, District Lot 56, Oyster District, Plan 30646 (123 Forward Road).

PURPOSE:

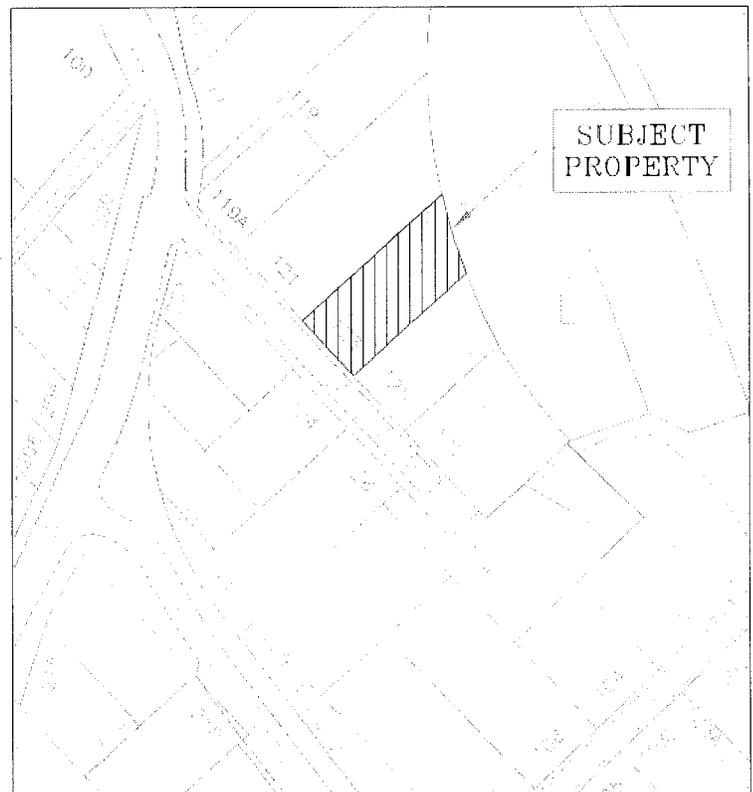
The purpose of this staff report is to obtain Council direction regarding statutory notification for an application for a development variance permit for an accessory building as required by the Development Procedures Bylaw.

INTRODUCTION/BACKGROUND:

The applicants are proposing to construct a garage 8m x 7m (26ft x 24ft) at their property at 123 Forward Road. The property currently contains a single family dwelling. The proposed garage (accessory building) is larger than currently permitted by the Zoning Bylaw. The applicants are also proposing to amend the permitted roof space from 1.5 m to 1.8 m.

SCOPE OF WORK:

The subject property is 1180m<sup>2</sup> (12,700 ft<sup>2</sup>) in size and is zoned 'Suburban Residential Zone (R-1)'. The maximum permitted gross floor area for an accessory building is 45 square metres (484ft<sup>2</sup>). The applicant is proposing an accessory building (detached garage) that is 58 square metres (624ft<sup>2</sup>).



## Summary of Development Variance Permit Application 3090-12-01

Accessory Building (garage)	Permitted	Proposed	Requested Variance
Gross Floor Area	45 m <sup>2</sup>	58 m <sup>2</sup>	13 m <sup>2</sup>
Attic/roof space	1.5 m	1.8 m	0.3 m

The garage is proposed to be 5 metres in height as permitted by the Zoning Bylaw. However, the applicant is requesting that the attic or roof space be varied from 1.5 metres to 1.8 metres

It is recommended to direct staff to proceed with statutory notification for the proposed variance.

### ALTERNATIVES:

To not support DVP application 3090-12-01.

FINANCIAL IMPLICATIONS: n/a

### LEGAL IMPLICATIONS:

The *Local Government Act* enables Council to vary zoning regulations, except use and density regulations through the issuance of a development variance permit. This is a discretionary decision of Council. Public notification s required.

### CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

It is recommended that Council direct staff to proceed with the statutory notice for Development Variance Permit application 3090-12-01.

### INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

Development Variance Permit application 3090-12-01 has been referred to the Infrastructure Services Department.

### RESOURCE IMPLICATIONS:

Processing Development Variance Permit applications is within available staff resources.

### ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

The subject development variance permit proposal is not inconsistent with the Visioning Report.

### ALIGNMENT WITH STRATEGIC PRIORITIES:

Effective land use planning and community design are strategic Council directions.

### SUMMARY:

It is recommended that Council direct staff to proceed with the statutory notice for Development Variance Permit application 3090-12-01.

I concur with the recommendation.

*Ruth Malli*

---

Ruth Malli, City Manager

ATTACHMENTS:

None





## Town of Ladysmith

### **STAFF REPORT**

To: Ruth Malli, City Manager  
From: Felicity Adams, Director of Development Services  
Date: May 2, 2012  
File No: 3360-12-01

---

Re: Official Community Plan Amendment and Rezoning Application – Kolk Lot B, District Lot 56, Oyster District, Plan VIP65504 (340 2<sup>nd</sup> Avenue)

#### RECOMMENDATION(S):

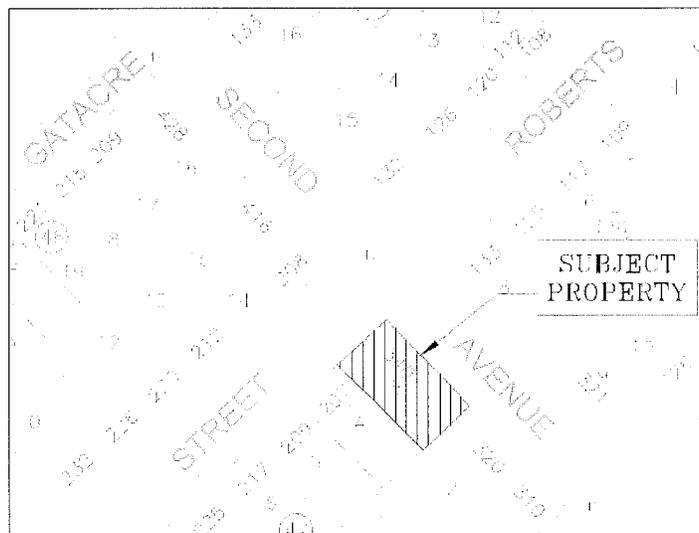
1. That Council directs staff to work with the applicant to apply Official Community Plan policies to development application 3360-12-01 as outlined in this Staff Report.
2. That Council has considered s. 879 of the Local Government Act (consultation during OCP development) and determines that for Official Community Plan amendment application 3360-12-01 (340 2<sup>nd</sup> Avenue) the following consultation is to be undertaken:
  - Staff referral to the Advisory Planning Commission and Advisory Design Panel for review and comment.
  - Applicant to host a neighbourhood information meeting as required by the Development Procedures Bylaw.

#### PURPOSE:

The purpose of this staff report is to introduce an application to amend the Official Community Plan (OCP) and Zoning Bylaw for a proposed five unit townhouse development at 340 2<sup>nd</sup> Avenue, and to seek direction regarding consultation.

#### INTRODUCTION/BACKGROUND:

The applicant is proposing to amend the Official Community Plan and Zoning Bylaw to permit a five unit townhouse development. The subject property is 737 m<sup>2</sup> (7933 ft<sup>2</sup>) in size, is currently vacant, and is located at the corner of Roberts Street and 2<sup>nd</sup> Avenue.



A rezoning for the subject property was presented to Council in December 2007 to permit 6 townhomes. The applicant did not proceed with the rezoning at that time.

### SCOPE OF WORK:

The current stage of this rezoning application is to seek direction from Council regarding the scope of the review of the application and the OCP consultation.

#### **Official Community Plan (OCP)**

The property is currently designated in the OCP as “Single Family Residential”, the applicant is requesting a “Multi-Family” designation. The adjacent property to the west is designated ‘multi-family residential’ and the other adjacent properties are designated ‘single family residential’.

The following OCP policies relate to the proposed development:

*Promote infill development in existing residential areas, especially infill surrounding the downtown.* The proposed townhomes would infill a vacant lot.

*New multi-family development shall be located near local commercial services, schools, recreation services, or parks.* The proposed townhomes are within walking distance to downtown businesses, Transfer Beach Park, and the High Street Resource Centre.

*New multi-family development shall ‘fit’ with the neighbourhood in terms of scale, traffic, parking, and servicing.* The OCP Multi-Family development permit guidelines also emphasize that the scale, bulk, mass, shape, and form of buildings should relate positively to adjacent development and to preserve the existing residential character of the area. Staff and the ADP can work with the applicant to ensure the building design ‘fits’ with the neighbourhood.

*Increased residential densities will be promoted in appropriate locations. Maximum density allowed in multi-family designation is 60 units per hectare (which would permit four townhomes).* The applicant is proposing a density of 68 units per hectare (five townhomes). Density increases in the downtown area may be considered through density bonusing for amenities. This site is on the edge of the downtown.

*Stormwater management and transportation planning considerations will be integrated into all land development.* Staff will work with the applicant to encourage innovative stormwater management and to ensure safe onsite/offsite vehicle and pedestrian circulation. The applicant retained Herold Engineering to review ‘stopping site distances’ for the proposed development.

#### **Zoning Bylaw**

The subject property is zoned Institutional Zone (P-1). The applicant is requesting to zone the land Multi-Family Residential (R-3). The permitted density in the R-3 zone is 60 dwelling units per hectare of land which would permit four dwelling units. The applicant is proposing five dwelling units with a height of 7 metres. The applicant is proposing five parking stalls onsite. See Schedule A: Draft Site Plan.

The adjacent property to the west is zoned Multi-Family Residential (R-3), and the other adjacent properties are zoned Urban Residential Zone (R-2).

**Table 1: Summary of OCP Amendment and Rezoning Application – 3360-12-01**

	<i>Current</i>	<i>Proposed</i>
<i>OCP</i>	Single Family Residential	Multi-Family Residential
<i>DPA</i>	n/a	Development Permit Area 4 – Multi-Family Residential (DPA 4)
<i>Zoning</i>	Institutional Zone (P-1)	Multi-Family Residential (R-3)

**ALTERNATIVES:**

That Council not proceed with OCP amendment and rezoning application 3360-12-01.

**FINANCIAL IMPLICATIONS:** n/a

**LEGAL IMPLICATIONS:**

As this application proposes to amend the OCP, Council must:

1. Consider whether consultation on the OCP amendment should be early and on-going, and
2. Specifically consider whether consultation is required with:
  - (i) the boards of the CVRD and the RDN
  - (ii) the council of a municipality adjacent to Ladysmith
  - (iii) First Nations
  - (iv) the school district, great boards or improvement district boards, and
  - (v) the provincial or federal government and their agencies.

It is standard practice for Council to refer rezoning proposals to the Advisory Planning Commission (APC) at an early stage. Proposals that would result in a form and character development permit application may be referred to the Advisory Design Panel (ADP) at the rezoning stage. The Provincial archaeological database does not indicate any artefacts at this location. Also, the site is not near a watercourse or the Ladysmith Harbour. The proposal does not appear to impact other government agency interests.

It is recommended to refer the application to the Advisory Planning Commission and the Advisory Design Panel.

**CITIZEN/PUBLIC RELATIONS IMPLICATIONS:**

If the application proceeds the applicant will be required to hold a neighbourhood information meeting and a public hearing will be required to be held. The applicant could be asked to notify the Stz’uminus First Nation about the neighbourhood meeting.

**INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:**

The application has been referred to the Department of Infrastructure Services for review and comment.

**RESOURCE IMPLICATIONS:**

Processing OCP amendment and rezoning applications is a core function of the Development Services Department. Processing this application is within available staff resources.

**ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:**

The applicant has completed a Sustainable Development Checklist to demonstrate how the rezoning proposal is consistent with the Visioning Report. The checklist indicates that the development proposal:

- ✓ increases density in the Town's downtown neighbourhood and this density will help to support transit and local business;
- ✓ increases the diversity of housing in the downtown area;
- ✓ provides townhouses with ground level access for home based business opportunity; and
- ✓ locates resident parking at the rear of the building;
- ✓ is within 400 metres of a public transit stop;
- ✓ is within 800 metres of a childcare facility, a community service centre; and a clearly defined commercial area.

Staff can work with the applicant to integrate other 'Visioning' objectives into the project such as:

- Encouraging green building practices;
- Ensuring the building has active street frontages;
- Ensuring onsite stormwater management features are utilized.

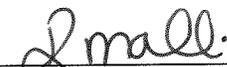
**ALIGNMENT WITH STRATEGIC PRIORITIES:**

Effective land use planning and community design is a Council strategic direction.

**SUMMARY:**

It is recommended to direct staff to work with the applicant on the OCP amendment and rezoning proposal and to refer the application to the Advisory Planning Commission and Advisory Design Panel.

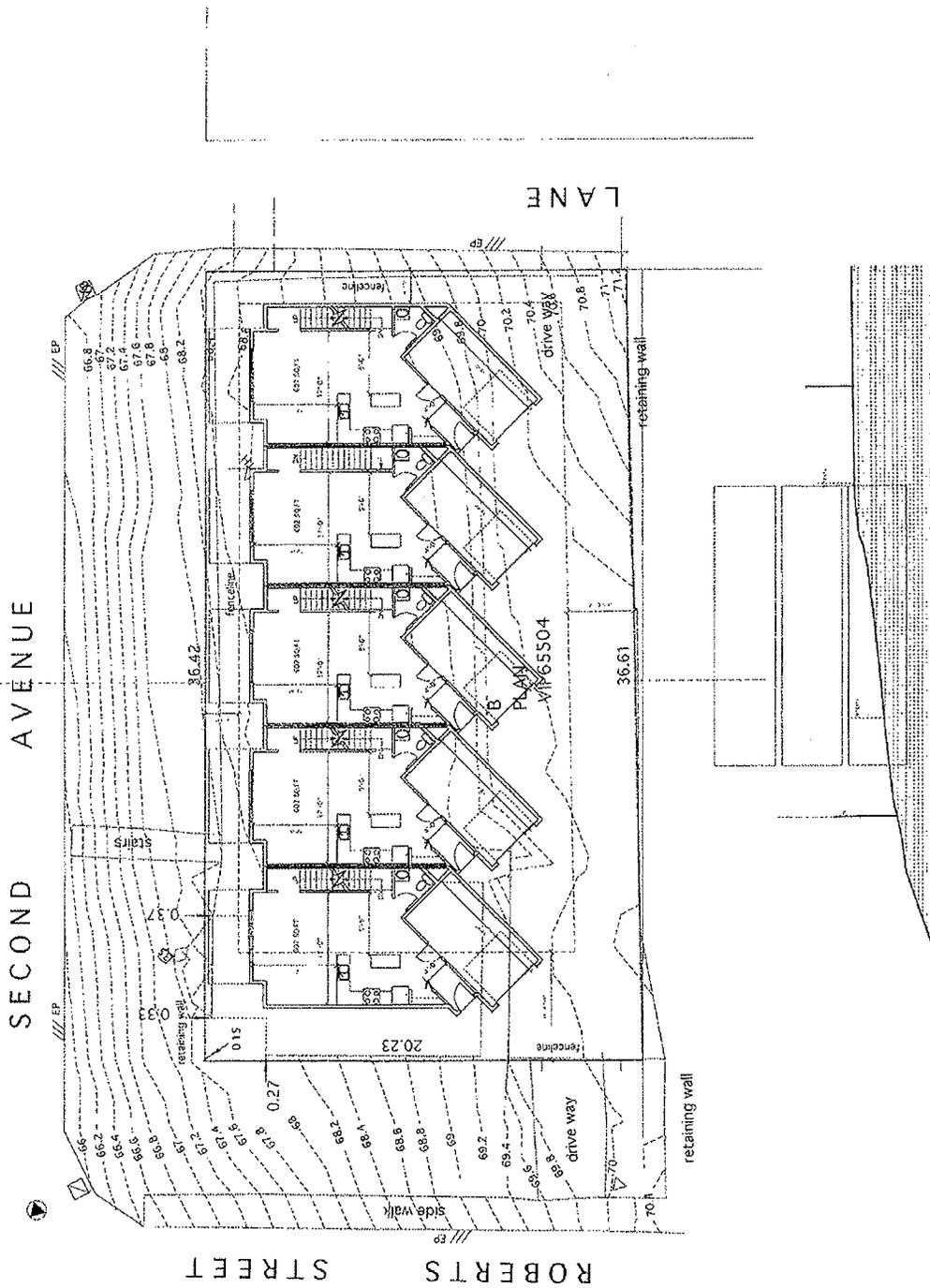
I concur with the recommendation.

  
\_\_\_\_\_  
Ruth Malli, City Manager

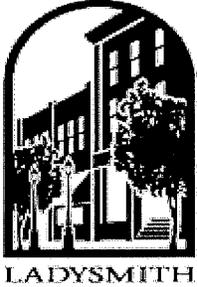
**ATTACHMENTS:**

Schedule A: Draft Site Plan – 340 2<sup>nd</sup> Avenue





Schedule A: Draft Site Plan - 340 2<sup>nd</sup> Avenue



## Town of Ladysmith

### **STAFF REPORT**

To: Ruth Malli, City Manager  
From: Felicity Adams, Director of Development Services  
Date: May 2, 2012  
File No: 3360-11-02

---

Re: Rezoning Application 320 4<sup>th</sup> Ave. Extension (Pilcher)  
(Lot 5, District Lot 56, Oyster District, Plan 965, except part in Plan 31211)

#### RECOMMENDATION(S):

- 1 That Council give first and second reading to Bylaw 1803 cited as "Town of Ladysmith Zoning Bylaw 1995, No. 1160 Amendment Bylaw (No. 89), 2012 No.1803" and that a public hearing be scheduled for Bylaw No. 1803.

#### PURPOSE:

The purpose of this staff report is to present a bylaw to amend the Zoning Bylaw to facilitate a proposed development at 320 4<sup>th</sup> Ave. Extension.

#### INTRODUCTION/BACKGROUND:

At the April 2, 2012 meeting Council directed staff to prepare a bylaw to amend Zoning Bylaw No.1160 to permit a clustered development of 20 single family homes at 320 4<sup>th</sup> Avenue Extension.

#### SCOPE OF WORK:

The current stage of this rezoning application is to present a bylaw to amend Zoning Bylaw No. 1160.

#### ***Bylaw 1803:***

Bylaw 1803 proposes to amend the Zoning Bylaw by adding a new zone "Comprehensive Development Two (CD-2)". The CD-2 Zone includes the following:

- A maximum of 20 residential units that meet an Energuide 80 energy efficiency standard.
- The location of buildings and structures generally complies with the Site Plan (prepared by Delinea Design Consultants Ltd.)
- Buildings are setback 6 metres and 4.5 metres from the property lines;
- The maximum height of buildings is 9 metres;
- No secondary suites are permitted;
- General landscape guidelines are included; and.
- The minimum lot size is 1 hectare.

#### ***Proposed Land Use Agreements:***

The following commitments have been confirmed by the applicant and supported by staff:

- Driveway access easements for 316 and 324 Fourth Avenue Extension.

- A conservation covenant to protect natural vegetation on a two metre wide area adjacent to the western property boundary.
- The area of land containing the Holland Creek Trail will be dedicated to the Town of Ladysmith (42.5 m<sup>2</sup>).
- Homes shall be built to an Energuide 80 energy efficiency standard.
- An amenity contribution of \$8000.
- Tree protection as recommended by a certified arborist.
- Onsite stormwater management.
- At the time ten homes are constructed the following site features must be completed (as shown on the site plan):
  - i. A common area 520m<sup>2</sup> in size,
  - ii. A pedestrian path for strata residents to access the Holland Creek Trail, and
  - iii. A minimum of 6 visitor parking stalls.

The above stated commitments will be secured prior to third reading of an amending bylaw.

ALTERNATIVES:

That Council not proceed with Bylaw 1803.

FINANCIAL IMPLICATIONS; N/A

LEGAL IMPLICATIONS:

A public hearing will be required to be held.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

Notification regarding the public hearing would be sent to the neighbours of 320 Fourth Avenue Extension and would be published in the local newspaper

The applicant has held two neighbourhood meetings prior to the public hearing. The application has been presented to the Advisory Planning Commission and the Advisory Design Panel for consideration and their comments have been integrated into the development proposal.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

The application has been referred to the Engineering Department and to the Director of Parks, Recreation and Culture for review and comment. Their comments have been integrated into the development proposal. The final design for the internal strata road will require review at the building permit stage to ensure fire protection capacity to proposed units 1 to 6.

RESOURCE IMPLICATIONS:

Processing rezoning applications is a core function of the Development Services Department. Processing this application is within available staff resources.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

In general the proposed development is consistent with the Visioning Report.

ALIGNMENT WITH STRATEGIC PRIORITIES:

Effective land use planning and community design is a Council strategic direction.

SUMMARY:

It is recommended to give first and second reading to Bylaw 1803 and to schedule a public hearing.

I concur with the recommendation.



---

Ruth Malli, City Manager

ATTACHMENTS:

Bylaw 1803



**TOWN OF LADYSMITH**

**BYLAW NO. 1803**

A bylaw to amend the "Town of Ladysmith Zoning Bylaw 1995, No. 1160"

**WHEREAS** pursuant to the *Local Government Act*, the Municipal Council is empowered to amend the zoning bylaw;

**AND WHEREAS** after the close of the Public Hearing and with due regard to the reports received, the Municipal Council considers it advisable to amend "Town of Ladysmith Zoning Bylaw 1995, No. 1160";

**NOW THEREFORE** the Council of the Town of Ladysmith in open meeting assembled enacts as follows:

1. The text of "Town of Ladysmith Zoning Bylaw 1995, No. 1160" as amended, is hereby further amended as follows:
  - (a) Section 4.0 "Definitions" is amended by adding the following:
    - (i) Adding a new definition immediately following the definition of 'bed and breakfast inn':  
 "bio-swale" means a type of bio-filter designed to remove silt and pollution from surface runoff, consisting of a swaled drainage course with gently sloped sides and may be filled with vegetation or riprap.
    - (ii) Adding a new definition immediately following the definition of 'car wash':  
 "Certified Energy Advisor" means an energy advisor certified with a service organization licensed by the Office of Energy Efficiency of Natural Resources Canada."
    - (iii) Adding a new definition immediately following the definition of 'dwelling unit':  
 "EnerGuide Energy Standard" means the energy standard created and standardized by the Office of Energy Efficiency of Natural Resources Canada that is applied to British Columbia buildings.
  - (b) Add to the list in section 6.1 (1): "34.0 Comprehensive Development 2 (CD-2)"
  - (c) Add a new section "34.0 Comprehensive Development 2 (CD-2)" as shown on 'Schedule I' attached to and forming part of this Bylaw.
2. The zoning map, being 'Schedule A' to "Town of Ladysmith Zoning Bylaw 1995, No. 1160" is hereby amended by:
  - (a) adding "CD-2" (Comprehensive Development 2 Zone) to the list of zones, and
  - (b) placing "CD-2" (Comprehensive Development 2 Zone) on Lot 5, District Lot 56, Oyster District, Plan 965, except part in Plan 31211 (320 4<sup>th</sup> Avenue Extension) as shown on 'Schedule II' attached to and forming part of this Bylaw.

**CITATION**

3. This bylaw may be cited for all purposes as "Town of Ladysmith Zoning Bylaw 1995, No. 1160, Amendment Bylaw (No. 89) 2012, No. 1803".

**READ A FIRST TIME** on the day of

**READ A SECOND TIME** on the day of

**PUBLIC HEARING** held pursuant to the provisions of the *Local Government Act*

on the day of

**READ A THIRD TIME** on the day of

**ADOPTED** on the day of

---

Mayor (R. Hutchins)

---

Corporate Officer (S. Bowden)

## Bylaw 1803 - Schedule I

### 34.0 **COMPREHENSIVE DEVELOPMENT TWO (CD-2)**

#### 34.1 **Permitted Uses**

The following uses are permitted:

- (a) residential use;
- (b) home occupation.

#### 34.2 **Permitted Buildings and Structures**

The following buildings and structures are permitted:

- (a) single family dwelling;
- (b) accessory building.

#### 34.3 **Conditions - Buildings and Structures**

- (a) The location of buildings and structures shall generally comply with Figure A: Comprehensive Development Two (CD-2) Zone Site Plan.
- (b) A maximum of 12 residential units is permitted in the CD-2 Zone (see also Section 33.7).
- (c) Despite Section 34.2(a), secondary suites are not permitted.
- (d) The maximum permitted building and structure site coverage shall not exceed 30%.
- (e) No buildings or structures located on a parcel within this Zone shall be closer than 6.0 metres to all lot lines, except unit #1 which may be 4.5 metres to the north side lot line.
- (f) The minimum horizontal building dimension of a single family dwelling shall be 6.5 metres.
- (g) The height of a single family dwelling shall not exceed 9.0 metres; except where the building roof pitch is less than 4:12, then the maximum height shall be 7.5 metres.
- (h) An accessory building or structure:
  - i) Shall not exceed one storey,
  - ii) Shall not exceed a height of 5.0 metres, except where the roof pitch is less than 4:12, then the maximum height shall be 3.5 metres; and
  - iii) Shall not exceed a gross floor area of 45 square metres.

#### 34.4 **Conditions - Landscaping**

- (a) Despite Section 34.3(e), a continuous wooden fence with a minimum height of 1.2 metres shall be provided on property lines adjacent to neighbouring residential development, as shown on Figure A.
- (b) Disposal of surface run-off and storm water must be managed in part through the installation of a bio-swale, generally as shown on Figure A.
- (c) 40% of the area of land in the CD-2 Zone shall remain free of coverage by impermeable surfaces.
- (d) Existing vegetation within the buffer area identified on Figure A shall be maintained and preserved to provide a protection and buffer for the steep slope and Holland Creek trail.

#### 34.5 **Minimum Lot Size**

- (a) All development must be connected to water and sewer services.
- (b) The minimum parcel size permitted shall be one hectare.

#### 34.6 **Off Street Parking and Loading**

- (a) Off-street parking and loading must be provided as required by the Municipality's parking regulations.
- (b) In addition to the parking required in accordance with section 34.6(a), a minimum of six parking stalls shall be provided for visitor parking.

**34.7 Density Bonus**

Despite section 34.3(b) above, a density bonus is permitted within the CD-2 Zone as indicated in the table below where amenities listed in Column One are provided to assist the Town of Ladysmith in meeting its greenhouse gas emission reduction targets in accordance with the Official Community Plan. Where the developer provides the amenities listed in Column One, a density bonus is permitted as listed in Column Two.

<b>COLUMN ONE: AMENITIES</b>	<b>COLUMN TWO: DENSITY BONUS</b>
<p><i>Each Single Family Dwelling shall attain a minimum of EnerGuide 80 Energy Standard, and the following steps shall be completed for each single family dwelling:</i></p> <ol style="list-style-type: none"> <li>1. Prior to issuance of a building permit, provide a copy of the energy audit from a Certified Energy Advisor.</li> <li>2. Prior to issuance of a building permit, provide a letter of credit for 1% of the construction costs.</li> <li>3. Prior to issuance of an occupancy permit, provide a letter from the Certified Energy Advisor stating that the single family dwelling has complied with the EnerGuide 80 Energy Standard.</li> <li>4. The letter of credit will be returned once the letter from the Certified Energy Advisor stating that the single family dwelling has complied with the EnerGuide 80 Energy Standard has been received by the Building Inspector.</li> </ol>	<p>A maximum of 20 dwelling units is permitted in the CD-2 Zone.</p>



Town of Ladysmith

**COMMISSION REPORT**

To: Mayor and Council  
From: Heritage Revitalization Advisory Commission  
Date: April 30, 2012  
File No:

---

Re: RECOMMENDATIONS FROM THE APRIL 12, 2012 HRAC MEETING

The following recommendations were adopted at the April 12<sup>th</sup> Heritage Revitalization Advisory Commission (the Commission) meeting and are presented for Council's consideration:

RECOMMENDATION 1:

The Commission has discussed the need for a grant program to assist owners of heritage buildings with the cost of façade upgrades. Grant programs in other municipalities have proven to be a success in promoting a revitalized building and streetscape appearance. The Commission has created an inventory of façade conditions in the Downtown Specified Area to assist in preparation for a grant program, perhaps with a focus on painting building façades.

*It was moved, seconded and carried that the Heritage Revitalization Advisory Commission recommend that Council establish a Heritage Façade Improvement Grant Program.*

RECOMMENDATION 2:

Commission members noted that the windows on the Traveller's Hotel are frequently covered in posters, adding to the appearance of a vacant and dilapidated building. The Commission discussed the need for additional community notice boards in the Town to replace the use of buildings as notice boards. Suggestions included a design that would contribute to the aesthetic appeal of First Avenue, and the potential for paid advertising space on the notice board.

*It was moved, seconded and carried that the Heritage Advisory Revitalization Commission recommend to Council that the Town consider the installation of a public notice board on the west side of First Avenue to limit the notices posted on the Traveller's Hotel.*

RECOMMENDATION 3:

The members of the Heritage Revitalization Advisory Commission discussed the attached letter from Heritage BC regarding the Heritage BC Strategic Plan 2012-2015 and request for support of the Heritage Legacy Fund.

The Town is a member of Heritage BC. Heritage BC has supported local heritage initiatives in the past, e.g. Heritage Tourism Workshop, and the Building Study for St. John's Anglican Church.

*It was moved, seconded and carried that the Heritage Revitalization Advisory Commission recommend that Council send a letter to the BC Minister of Lands, Forests and Natural Resource Operations in support of Heritage BC and the investment in the Heritage Legacy Fund, which provides grants for community heritage projects and support for Heritage BC's operations.*

ATTACHMENTS:

Letter from Heritage BC dated April 3, 2012.

**From:** Jan Thomas [jthomas@heritagebc.ca]  
**Sent:** April 3, 2012 10:45 AM  
**To:** Jan Thomas  
**Subject:** Message to Members

**Attachments:** HBC STRATEGIC PLAN 2012-2015.pdf

Dear Heritage BC Member:

**Re: Support for Heritage BC**

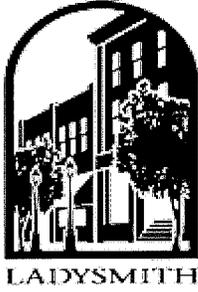
Heritage BC has completed a new Strategic Plan, a copy of which is attached. We will be meeting with the Honourable Steve Thomson, Minister of Lands, Forests and Natural Resource Operations on Monday, April 23, to discuss the plan, in particular a request for a further investment in the Heritage Legacy Fund which provides grants for community heritage projects and support for Heritage BC's operations. This investment will be essential to our survival. On behalf of the Board of Directors, I would like to ask you to express your support for Heritage BC and the investment in the Heritage Legacy Fund directly to Mr. Thomson, by letter or email: please see the addresses below. Many letters were sent to the provincial government in response to Heritage BC's "Call to Renew British Columbia's Heritage Program" in 2010. These letters have had a significant impact, and resulted last year in the passing of a supportive resolution by the Union of B.C. Municipalities. This is the last stage of our campaign and we must keep up the pressure on government to convince them that heritage conservation is an issue that needs to be attended to, now. Heritage BC is your organization and needs your help and your voice.

Honourable Steve Thomson  
Minister of Forests, Lands and Natural Resource Operations  
Room 248  
Parliament Buildings  
Victoria, BC  
V8V 1X4  
[steve.thomson.mla@leg.bc.ca](mailto:steve.thomson.mla@leg.bc.ca)

Thank you for your support, past and future, for Heritage BC, and heritage conservation.

Best Regards,  
Rick Goodacre

**Rick Goodacre**  
Executive Director  
**TEL:** 250-384-4840  
[www.heritagebc.ca](http://www.heritagebc.ca)



Town of Ladysmith  
**COMMITTEE REPORT**

To: Mayor and Council  
From: Councillor Steve Arnett, Chair  
Date: April 18, 2012  
File No: 0550-20

---

Re: GOVERNMENT SERVICES COMMITTEE - April 16, 2012

At its meeting on April 16, 2012 the Government Services Committee recommended to Council the following:

1. That Council request an opportunity to make a presentation to the BC Transit Independent Review Panel.
2. That Council proclaim May 29, 2012 "Day of the Honey Bee" in the Town of Ladysmith, and send a strongly worded letter be sent to the federal Minister of Agriculture encouraging the Government of Canada to establish a national day of recognition for the Honey Bee and the importance of the honey bee in our food supply.
3. That Council send a letter to the Premier of British Columbia requesting that serious consideration be given to local government input and consultation to the Expert Panel on Business Taxation and the Local Government Sources Review, with copies to the Minister of Finance and the Minister of Community, Sport and Cultural Development.



Town of Ladysmith  
**STAFF REPORT**

To: Ruth Malli, City Manager  
From: Felicity Adams, Director of Development Services  
Date: May 1, 2012  
File No:

---

Re: BYLAW 1804 – NOT-FOR-PROFIT RENTAL HOUSING DCC REDUCTION BYLAW

RECOMMENDATION(S):

1. That in order to target housing developments that support individuals and families at lower incomes, Council direct that the rent criteria for the not-for-profit rental housing DCC incentive bylaw include “households within 80 percent of the median household income paying 30 percent of their household income annually toward the cost of housing”.
2. That Council give first, second and third reading to Bylaw 1804 cited as “Town of Ladysmith Not-for-Profit Rental Housing Development Cost Charges Reduction Bylaw, 2012, No. 1804”.

PURPOSE:

The purpose of this staff report is to present Bylaw 1804 and to seek bylaw readings by Council.

INTRODUCTION/BACKGROUND:

At its meeting held, December 19, 2011 Council provided the following direction to staff.

*It was moved, seconded and carried that staff be directed to prepare a bylaw and model housing agreement to support the incentive of a Development Cost Charges waiver (100 per cent) for eligible residential development described as:*

- a) Not-for-profit rental housing for seniors, families or singles*
- b) Rent may be no more than 30 per cent of the median annual household income for the Town as reported by Statistics Canada for the most recent census*
- c) The rental housing units must be available for rental at the specified rate for a minimum of 20 years*
- d) The housing provider will provide an annual declaration to the Town that the housing agreement criteria are being met.*

Upon further examination of the details, staff is recommending an adjustment to the formula in (b) which is described in the attached Memo. This change is included in recommendation #1.

SCOPE OF WORK:

The Bylaw would be utilized when an eligible development is proposed. Staff will provide information about this incentive on the Town’s website and to Social Planning Cowichan.

The Bylaw requires that the eligible development is subject to a Housing Agreement. Such an agreement and related bylaw would be prepared when an eligible project is proposed.

ALTERNATIVES:

That Council not proceed with Bylaw 1804.

FINANCIAL IMPLICATIONS:

The construction of not-for-profit rental housing in Ladysmith will be reliant on senior government funding or other external support. Currently such funding is limited and tends to be targeted to larger communities with significant housing challenges and higher real estate values. Assistance from the local community in the way of land for below market cost or reduced fees and charges can help to prioritize a project. The number of units expected to be constructed is small, say 20 units which at the current multi-family DCC rates would cost about \$150,000.

An eligible multi-family project built in the downtown would be eligible for a DCC waiver while Bylaw 1781 is in effect. An eligible development built outside of the downtown would be eligible for a DCC waiver while Bylaw 1804 is in effect.

LEGAL IMPLICATIONS:

The *Local Government Act* establishes the criteria for development for which charges may be waived or reduced and establishes the framework for such a bylaw. Legal counsel has reviewed Bylaw 1804.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

Developments that add to the supply of affordable rental housing are expected to be supported by the community. There has been interest expressed by service clubs and church groups to develop such projects in Ladysmith.

The Cowichan Affordable Housing Strategy, which was prepared by Social Planning Cowichan with community input, recommends that local governments consider policy to waive fees and taxes for affordable housing development (strategy 7).

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

The financial implications were reviewed by the Finance Department.

RESOURCE IMPLICATIONS:

N/A

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

Support to affordable rental housing is consistent with the Ladysmith Vision of “complete community land use”.

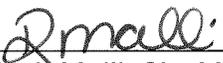
ALIGNMENT WITH STRATEGIC PRIORITIES:

Council has directed that the new DCC program include support for not-for-profit rental housing.

SUMMARY:

A bylaw to reduce to zero Development Cost Charges for not-for-profit rental housing has been prepared as directed by Council. It is recommended that Bylaw 1804 be given first, second and third reading.

I concur with the recommendation.

  
\_\_\_\_\_  
Ruth Malli, City Manager



ATTACHMENTS:

- Memo dated April 13, 2012 by Sherry Hurst, Leftside Partners regarding DCC Reduction Bylaw for Not-for Profit Rental Housing.
- Bylaw 1804



## MEMO

---

**TO:** FELICITY ADAMS, DIRECTOR OF DEVELOPMENT SERVICES  
**FROM:** SHERRY HURST, LEFTSIDE PARTNERS INC.  
**DATE:** APRIL 13, 2012  
**RE:** DCC REDUCTION BYLAW FOR NOT-FOR-PROFIT RENTAL HOUSING

---

In December 2011 Council directed staff to prepare a bylaw to reduce DCCs for not-for-profit rental housing. At that time Council included some specific conditions regarding eligibility. One of the conditions was that housing costs represent a maximum of 30% of the Town's median household income, consistent with the standard definition of affordability in Canada. A bylaw was prepared with that option, however, it is recommended that the bylaw instead reference a **percentage** of the Town's median household income to target individuals and families with lower incomes. The Town's median household income as reported in the 2006 Census (based on 2005 statistics), is \$50,053<sup>1</sup>. If housing costs reflect 30% of that figure, that number would be \$15,015.90, which translates into a monthly housing cost of \$1,251.33. Based on October 2011 rental market survey information from CMHC, \$1,251 is greater than average market rents for apartments and townhouses – even those with 3 or more bedrooms – in Duncan and Nanaimo (the two closest housing markets surveyed by CMHC).<sup>2</sup> Although this suggests that market rental housing in the area is generally affordable, housing costs that equate to 30% of the median household income are not necessarily reflective of “affordable housing” for those with lower incomes in the Ladysmith context. It is recommended that the bylaw reference an income level lower than that of the median household income to ensure that the DCC reduction is targeted to agencies providing housing that is truly affordable to individuals and families with lower incomes, and to leave room for additional housing-related utility costs which are often not included in rent charged to tenants. The attached draft bylaw proposes a figure that is 80% of the median household income for establishing maximum rent levels. While 80% still enables a relatively high housing cost (see equation below), it helps to bring costs more in line with market rents, while still offering flexibility for not-for-profit housing providers.

The equation referenced in the draft bylaw uses the median household income x 80% x 30% (the maximum amount of annual income that should be allocated to housing costs). The resulting amount is divided by 12 to convert it into a monthly rental figure. Based on the most recent Census data, the Ladysmith equation is therefore as follows:

$$\$50,053 \times (0.80 \times 0.30 / 12) = \$1,001.06.$$

Another way to simplify the equation for purposes of the bylaw, is to multiply the median household income by 2% (0.02). This equation (median household income x 2%) has been included in the bylaw for administrative ease – for both staff and potential applicants – in calculating the applicable rent levels.

---

<sup>1</sup> Updated median household income figures for 2011 Census are anticipated in September, 2012

<sup>2</sup> Average market rents for apartments and townhouses combined, with 3+ bedrooms, were \$916 for Duncan Census Area, and \$962 for Nanaimo Census Area in CMHC's Fall 2011 *Rental Market Report*.

**TOWN OF LADYSMITH**

**BYLAW NO. 1804**

**A Bylaw to Reduce Development Cost Charges for Not-for-Profit Rental Housing**

---

**WHEREAS** Council is permitted by section 933.1 of the Local Government Act to waive or reduce a development cost charge by bylaw for not-for-profit rental housing, including supportive living housing;

**WHEREAS** Council wishes to provide for a reduction of a development cost charge where the monthly rent for a not-for-profit rental housing unit is equal to or less than the figure calculated by multiplying the median housing income of the Town of Ladysmith by 2%, which is the equivalent of households within 80% of the median household income paying 30% of their household income annually toward the cost of housing;

**NOW THEREFORE** the Council of the Town of Ladysmith in open meeting assembled, enacts as follows:

**DEFINITIONS**

1. In this Bylaw:

*'Eligible Development Housing Agreement'* means an Agreement under section 905 of the *Local Government Act* between the Town of Ladysmith and an owner of land seeking a reduction in development cost charges.

*'Not-for-profit rental housing'* means one or more rental dwelling units:

- (a) that are operated as rental housing for tenants who are capable of independent living and meet eligibility criteria related to income, health or other similar criteria;
- (b) that are subsidized by the Province of British Columbia or by an incorporated not-for-profit organization; and,
- (c) that are publicly owned or owned and operated by an incorporated not-for-profit organization.

including, but not limited to, units within a development assessed as Class 3 for purposes of the *Assessment Act*.

**ELIGIBLE DEVELOPMENT**

2. For the purposes of this Bylaw, not-for-profit rental housing that meets the conditions in section 3 constitutes a class of eligible development.

3. To be eligible for the reduction in development cost charges, the not-for-profit rental housing shall meet the following conditions:

- (a) there is an Eligible Development Housing Agreement for a period of not less than 20 years, requiring that the monthly rent charged for each individual dwelling unit shall not exceed the figure calculated by multiplying the median household income for the Town of Ladysmith, as reported by Statistics Canada in the most recent census, by 2%; and
- (b) the owner submits an annual report to the Town of Ladysmith no later than January 15 of each year the Eligible Development Housing Agreement is in effect, confirming that each individual dwelling unit met the definition of not-for-profit rental housing as well as the eligibility criteria in section 3(a) for the previous calendar year.

4. A reduction of development cost charges granted under this Bylaw is subject to the condition that if at any time during the period of the Eligible Development Housing Agreement referenced in section 3, a dwelling unit no longer meets the definition of not-for-profit rental housing or no longer fulfills the conditions in section 3:
  - (a) it shall no longer be an eligible development under this Bylaw, and
  - (b) the owner of the land shall be liable for repayment of development cost charges in accordance with section 6.

**REDUCTION**

5. The Town of Ladysmith development cost charge will be reduced by 100% in respect of a dwelling unit that meets the definition of not-for-profit rental housing in this Bylaw and is an eligible development as defined in section 3.

**REPAYMENT**

6. The full amount of development cost charges that would have been payable on the date the building permit was approved, had the reduction not applied, plus interest at the rate of 3% per year calculated monthly since the date of the waiver compounded annually, shall immediately become due and payable to the Town for a dwelling unit that no longer qualifies as an eligible development under this Bylaw, as referenced in section 3.

**PERPETUAL WAIVER**

7. Once the period of the Eligible Development Housing Agreement has concluded, being a period of not less than 20 years, the development cost charges that would have applied to the original construction of the dwelling units that were part of the eligible development are thereafter waived in perpetuity and unconditionally.

**FURTHER DCCS PAYABLE**

8. Despite section 7, an applicant for further or additional development of the land in respect of which development cost charges have been waived under this Bylaw shall pay development cost charges that may be payable under a bylaw, as a result of such further or additional development during or after the term of the Eligible Development Housing Agreement, calculated in accordance with the bylaws applicable at the time of application for a development approval.

**SEVERABILITY**

9. If any part, paragraph or phrase in this Bylaw is for any reason held to be invalid by the decision of a court of competent jurisdiction, that portion shall be severed and the remainder of this Bylaw shall continue in force.

**CITATION**

10. This Bylaw may be cited as "Town of Ladysmith Not-for-Profit Rental Housing Development Cost Charges Reduction Bylaw, 2012, No. 1804".

<b>READ A FIRST TIME</b> on the	day of	2012
<b>READ A SECOND TIME</b> on the	day of	2012
<b>READ A THIRD TIME</b> on the	day of	2012
<b>ADOPTED</b> on the	day of	2012

---

Mayor (R. Hutchins)

---

Director of Corporate Services (S. Bowden)

Draft



Town of Ladysmith  
**STAFF REPORT**

To: Ruth Malli, City Manager  
From: Sandy Bowden, Director of Corporate Services  
Date: May 4, 2012  
File No: 2380-20

---

Re: Arts Council of Ladysmith and District - Lease of Town-Owned Properties on Oyster Bay Drive

**RECOMMENDATION(S):**

That:

- a) Council authorize the Town to enter into a three-year lease agreement with the Arts Council of Ladysmith and District for Units J, K and L of the "Machine Shop" building located at 610 Oyster Drive, for an annual rental rate of \$1.00 plus applicable taxes;
- b) Council authorize the Town to enter into two-year lease agreements with the following tenants of the Machine Shop at the rental rate of \$5.00 per square foot for the first year:

Unit A/E	Southwood Products
Unit D	Dennis Brown (Painter)
Unit F	Janice Richards (Painter)
Splicing Shed	Blondeau's Wood Products
Round House & First Aid Shed	PMG Heritage Yachts
- c) Council authorize the Town to enter into a two-year lease agreement with the Ladysmith Maritime Society for the "Car Shop" for an annual rental rate of \$1.00 per year;
- d) Council authorize the Town to enter into a one-year lease agreement with the Ladysmith Maritime Society for Units C, I, and M of the "Machine Shop" building for an annual rental rate of \$1.00 per unit plus applicable taxes;
- e) Council direct Staff to review the current rental rate of \$5.00 per square foot and provide recommendations to Council regarding any proposed changes to the rate prior to the expiration of the first year of the above-noted lease agreements; and,
- f) Staff be directed to advertise the leases in accordance with the legislation.

**PURPOSE:**

The purpose of this staff report is to seek Council's approval to enter into lease agreements with the current tenants of Town-owned properties located on the waterfront on Oyster Bay Drive.

**INTRODUCTION/BACKGROUND:**

In August 2008, Council postponed any decisions about the long term use of the Machine Shop (and other properties on Oyster Bay Drive) pending the outcome of the Sustainability Visioning Initiative, and specifically the waterfront portion of the initiative. While the Sustainability Vision laid out some specific priorities for the Ladysmith waterfront, it has become evident in the two years since the adoption of the Vision that a number of related issues must be resolved before plans for development of the waterfront can proceed.

In April 2010, Council gave direction to renew the leases for one year, with an option for two additional one-year renewals (to April 30, 2013). The Ladysmith Arts Council has requested the Town's consideration of establishing a longer-term lease in order to allow for more certainty for their organization (see attached correspondence). Following is the list of current tenants for Council's information.

The majority of private sector tenants are currently paying \$5.00 per square foot. The sole exception is PMG Heritage Yachts, with a lease rate of \$4.50 per square foot, which has been in effect since 2008.

Unit	Tenant	Approximate Area	Est. Annual Revenue in 2012/2013 at \$5.00/ft <sup>2</sup> (not including taxes)
Machine Shop A/E	Southwood Products	3,150 sq. ft.	\$15,750
Machine Shop B	<b>Vacant</b>	3,190 sq. ft.	\$15,950
Machine Shop C	Ladysmith Maritime Society	448 sq. ft.	\$1.00
Machine Shop D	Dennis Brown, Painter	718 sq. ft.	\$4,308
Machine Shop F	Janice Richards, Painter	712 sq. ft.	\$4,272
Machine Shop G	Arts Council and Department of Parks, Recreation and culture (joint art classes)	430 sq. ft.	\$1.00
Machine Shop H	<b>Vacant</b>	370 sq. ft.	\$1,850
Machine Shop I	Ladysmith Maritime Society, Administration	933 sq. ft.	\$1.00
Machine Shop J/K (Unit K shared with other organizations)	Ladysmith Arts Council, Art Gallery	1,250 sq. ft.	\$1.00
Machine Shop L	Ladysmith Arts Council, Workshop and studio spaces	1,163 sq. ft.	\$1.00
Machine Shop M	Ladysmith Maritime Society, Administration	970 sq. ft.	\$1.00
Car Shop	Ladysmith Maritime Society	2,630 sq. ft.	\$1.00
Splicing Shed	Blondeau's Wood Products	1,440 sq. ft.	\$7,200
Round House & First Aid Shed	PMG Heritage Yachts	1,775 sq. ft.	\$8,875

**SCOPE OF WORK:**

Staff is responsible for drafting and maintaining leases, monitoring payments, and providing building maintenance as specified in the lease agreements.

**ALTERNATIVES:**

Council may choose to maintain the current year-to-year lease arrangements and reconsider the matter in 2013.

**FINANCIAL IMPLICATIONS:**

Longer-term leases will provide more certainty with respect to revenues for the Town from the private sector tenants. It should also be noted that Council does not charge property taxes on the units leased by the Arts Council of Ladysmith and District and the Ladysmith Maritime Society. The other tenants are responsible for paying the property taxes on their respective units.

**LEGAL IMPLICATIONS:**

Staff will ensure that the lease agreements are processed in accordance with the legislation.

**CITIZEN/PUBLIC RELATIONS IMPLICATIONS:**

With the current mix of private sector and not-for-profit tenants, the Town would be seen to be supportive of local businesses as well as community organizations.

**INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:**

Corporate Services manages the leases; Financial Services monitors and manages the payments; and Parks, Recreation and Culture is responsible for building maintenance.

**RESOURCE IMPLICATIONS:**

No additional resources are required.

**ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:**

Aligns with sustainability pillar #8 - Local, Diverse Economy.

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

Aligns with strategic direction # 1 - Wise Financial Management and #3 - Dynamic Economic Development.

**SUMMARY:**

It is recommended that Council approve the proposed leases for all tenants of the Town-owned properties on Oyster Bay Drive, in order to provide more stability to the tenants and to realize administrative efficiencies for the Town.

I concur with the recommendation.



---

Ruth Malli, City Manager

**ATTACHMENTS:**

Correspondence from Arts Council of Ladysmith and District



December 30, 2011



Joanna Winter - Manager of Administrative Services  
Town of Ladysmith  
410 Esplanade  
PO Box 220  
Ladysmith, BC  
V9G 1A2

Re: Three-Year Lease for The Arts Council of Ladysmith and District

Dear Joanna:

Thanks for being so patient waiting for our proposal for a 3-year lease. I have attached a copy with this letter and if you require any explanation please feel free to call me at the gallery (250-245-1252) or at home (250-245-0670).

We have our planning done for 2012 and have spent the time between Christmas and New Years painting and doing maintenance in the gallery getting ready for our new season in 2012.

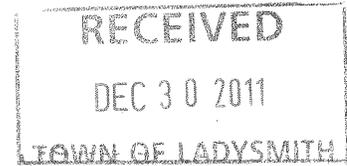
If the town would like to receive our newsletter please let us know, otherwise you can read it on-line at [www.ladysmithwaterfrontgallery.com](http://www.ladysmithwaterfrontgallery.com) scroll down on the left side to E-letter.

Thanks again and Happy New Year

Sincerely

A handwritten signature in cursive script that reads "Kathy Holmes".

Kathy Holmes  
President

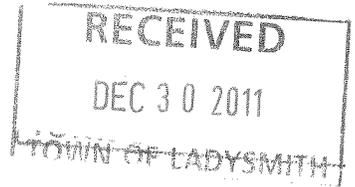


Art and Industry  
December 30, 2011

The Arts Council of Ladysmith and District is requesting a 3-year lease with the same financial terms as before, at our present location at the Expo Building in Ladysmith. This term of occupancy would bring us in line with the other tenants in the building. In past years, the Town of Ladysmith has been kind enough to roll over our yearly lease. However, there are mutual advantages to having a more formal and longer term of occupancy arrangement between the Town and the Art Council.

With a three-year lease, the Arts Council will have:

- The ability to apply for regional and provincial grants, thereby ensuring our longevity
- The ability to plan for infrastructure improvements such as an Elevator. At present there is a sector of our community, such as seniors and the handicapped, who are unable to climb the stairs thus segregating an already disadvantaged group.
- The ability to plan ahead for 3 years will allow us to invite prominent guest artists or plan for international artist shows
- Highway signage will be available
- A longer commitment of time will provide heightened stability for the art community knowing that the gallery is valued by the town, and viable. Increased membership will raise our profile on the island as a active art community
- Our gallery will become more of a visitors' attraction for Ladysmith thereby adding to the financial gain that tourists bring to a community.
- We will further service the needs of the community for art and provide artists for possible community endeavors.
- Town planners, for the future use of the building, can be assured the Art Council is willing to be a stable part of their planning
- The Art Council has planned regular maintenance and upgrade to the space
- Recognition that the Town of Ladysmith holds the arts in high esteem and sees the importance of art for the community is further enhanced
- The Arts council will plan for future educational classes for all ages as an ongoing community service
- A longer tenure would further allow the Art Council to be involved in the community by providing complementary shows for festivals. For example this year we are hosting a floral show to complement the Rotary Garden Tour, Canada Day participation with an art auction at Transfer Beach, and the Maritime Festival participation. This will help heighten attendance at these events, encourage visitors to attend events and the gallery



The Arts Council is run by volunteers, is open 312 days a year with a conservative estimate 4,680 volunteer hours. If these were paid hours at a mere \$15.00/hour that would be almost \$70,200 in wages.

Our commitment to the Town of Ladysmith, the area we serve and the Art Council's vision for the future will benefit from the stability of knowing that we have a permanent home.

At present we share the Expo building with Atlantis Kayak, Southwood Doors, Ladysmith Maritime Society, and individual art studios. We like to think of us as Ladysmith's Granville Island where art and industry co-exist in harmony. Our neighbours are supportive and friendly.

Your approval of a 3-year lease will be appreciated.



## Town of Ladysmith

### **STAFF REPORT**

To: Ruth Malli, City Manager  
From: John Manson, Director of Infrastructure Services  
Date: May 1, 2012  
File No:

---

Re: 2012 Tenders

RECOMMENDATION(S):

That Council award the following contracts for 2012:

Item	Awarded To
Asphalt and Paving	Lafarge Canada
Laboratory Testing	Maxxam Analytics
Survey Layout	McCallan Construction
Container Rental	Haarsma
Concrete Supply	Mayco Mix
Septic Services	Coast Environmental
Chorine Supply	Brenntag Canada
Equipment Rental	Stalker Excavating
Gravel Supply and Disposal	Van Isle Aggregates

PURPOSE:

To provide an approved list of Public Works suppliers for 2012.

INTRODUCTION/BACKGROUND:

Currently, the Town tenders the supply of a number of Public Works related services and supplies on an annual basis. Tenders were requested in March of 2012 for this calendar year for the services noted above. All supplies/services tenders received at least 2 bids except one tender, Septic services, which received one bid from Coast Environmental.

Staff have reviewed the tenders submitted. Generally, the tenders are awarded to the lowest bidder meeting the tender requirements. For the Concrete Supply and Gravel Supply tenders, the bids were analyzed based on the anticipated quantities needed



for each item type or strength. The overall best value package was then selected as the winning bid.

Although the Septic services contract only received one bid, the Town does not contract a significant amount of work in this area, and therefore recommends award of the tender to the sole bidder.

Laboratory Services did not include a cost for the shipping of samples to the lab for testing. Staff have considered the submitted unit prices including shipping in recommending the low tender for laboratory services.

SCOPE OF WORK:

This tender package covers the supply of most of the consumables and contracted services that are required by Public Works each year.

ALTERNATIVES:

Tenders may be awarded to alternative bidders

FINANCIAL IMPLICATIONS:

All of this work is covered in the 2012 budget.

LEGAL IMPLICATIONS:

These tenders comply with the Town's purchasing policy. Each successful company will be required to obtain and hold a valid business licence.

SUMMARY:

Staff will be investigating a more streamlined approach to the current process of annual tenders for the 2013 budget year.

I concur with the recommendation.



---

Ruth Malli, City Manager

ATTACHMENTS:

Appendix "A"



**Tender: Asphalt and Paving**

Tenderer	Date Received	Pavement Patching, Trenching			Labour		
		Local Bidder?	Machine Laid 100-200 Tonnes	Machine Laid 50-100 Tonnes	Hand Placed > 15 tonnes	Grader	Roller
Lefarge Canada (Hub City Paving)*	07-Mar-12		\$191.00	\$212.00	\$245.00	\$165.00	\$68.00
Royal Paving	07-Mar-12		\$264.00	\$264.00	\$288.00	\$135.00	\$70.00

excludes taxes in cost

\* 2011 Incumbent

Recommendation:

Lefarge Canada (Hub City Paving)\*

**Tender: Lab Testing**

Tenderer	Date Received	Local Bidder?	Specific tests 2				Totals	
			Misc Testing 1 mix of various tests (52)	Monthly	Bi-monthly	Quarterly		annual
North Island Labs	28-Feb-12		\$15,883.40	\$324.50	\$310.00	\$212.00	\$340.00	\$27,585.40
M.B. Labs*	02-Mar-12		\$10,676.00	\$313.00	\$226.00	\$150.00	\$64.00	\$21,402.00
<b>Maxxam Analytics</b>	<b>02-Mar-12</b>		<b>\$9,623.00</b>	<b>\$370.00</b>	<b>\$260.00</b>	<b>\$155.00</b>	<b>\$41.50</b>	<b>\$21,234.50</b>
ALS Environmental	05-Mar-12		\$10,810.00	\$528.50	\$342.23	\$230.00	\$625.00	\$29,526.88

excludes taxes in cost

\* 2011 Incumbent

Recommendation:

Maxxam Analytics

includes estimated shipping Costs to: Vancouver \$40.00, Vancouver Island 20.00 per return trip \$20.00

**Tender: Survey Layout**

Tenderer	Date Received	Local Bidder?	Addn Person	
			2 persn survey crew	office calcs
Kenyon Wilson	05-Mar-12		\$140.00	\$90.00
<b>McCallan Construction*</b>	<b>05-Mar-12</b>	<b>Yes</b>	<b>\$115.00</b>	<b>\$75.00</b>

excludes taxes in cost

\* 2011 Incumbent

Recommendation:

McCallan Construction\*

**Tender: Container Rental**

Tenderer	Date Received	Local Bidder?	Transfer beach		Totals	
			6 cu	4 cu		
GLS	06-Mar-12		\$210.00	\$270.00	\$240.00	\$1,020.00
<b>Haarsma*</b>	<b>07-Mar-12</b>		<b>\$155.15</b>	<b>\$305.00</b>	<b>\$223.00</b>	<b>\$838.70</b>

excludes taxes in cost

\* 2011 Incumbent

Recommendation:

Haarsma\*

Appendix A

Tender: Concrete Supply

Tenderer	Date Received	Bidder?		35mpa	32mpa - 20mm	32mpa - 10mm	30mpa
		Local					
<i>Mayco Mix</i>	22-Feb-12			\$132.00	\$129.00	\$135.00	\$127.00
Surespan Ready Mix	05-Mar-12			\$131.00	\$134.00	\$139.00	\$143.00
ABC Concrete	06-Mar-12			\$134.00	\$131.00	\$131.00	\$129.00
Bedrock Readymix*	07-Mar-12			\$133.00	\$130.00	\$130.00	\$128.00

excludes taxes in cost

\* 2011 Incumbent

Recommendation:

Mayco Mix

Tender: Septic Services

Tenderer	Date Received	Bidder?		Grit Cleanout /hr Annual	3 part cham bi annual /hr	Expo Grit annually	hrly truck rental
		Local					
<i>Coast Environmental*</i>	07-Mar-12			\$95.00	\$95.00	\$95.00	\$95.00

excludes taxes in cost

\* 2011 Incumbent

Recommendation:

Coast Environmental\*

Tender: Chlorine Supply

Tenderer	Date Received	Bidder?		68 kg tank	sod hyper tote	sod bisul tote	Total
		Local					
Cleartech Industries*	05-Mar-12			\$135.22	\$651.90	\$1,476.00	\$1,415.65
<i>Brenntag Canada</i>	06-Mar-12			\$107.50	\$550.00	\$716.00	

excludes taxes in cost

\*\* offered as a possible alternative

\* 2011 Incumbent

Recommendation:

Brenntag Canada

Tender: Equipment Rental

Tenderer	Date Received	Bidder?		hyd excav	hyd excav	hyd excav	hyd excav	Tandem	tandem and pup	skid steer loader	frontend load 3 cu m	lowbed truck
		Local										
TRT Contracting	28-Feb-12	Yes		20	15	12	6 truck		\$86.50	\$123.00	\$110.00	
<i>Stalker Excavating*</i>	05-Mar-12	Yes		\$115.00	\$105.00	\$100.00				\$78.00	\$120.00	\$185.00

excludes taxes in cost

\* 2011 Incumbent

Recommendation:

Stalker Excavating\*

Appendix A

Tender: Gravel Supply and Disposal

delivered to ladysmith

Tenderer	Date Received	Local Bidder?	pitrun	crush	crush	75	bedding sand	winter rd sand	birdseye gravel	torpedo bedding	drain rock	navi jack not del.
Island Aggregates*	27-Feb-12		\$7.50	19	\$11.50	\$12.00	\$8.70	\$8.70	\$19.00	\$14.00	\$14.50	\$13.80
<b>Van Isle Aggregates</b>	<b>06-Mar-12</b>		<b>\$7.40</b>	<b>\$11.65</b>	<b>\$11.40</b>	<b>\$8.40</b>	<b>\$8.40</b>	<b>\$8.40</b>	<b>\$14.90</b>	<b>\$14.90</b>	<b>\$12.90</b>	<b>\$10.50</b>
Lafarge (Hub City Paving)	07-Mar-12		\$8.15	\$11.75	\$9.45	\$8.40	\$10.70	\$12.55	\$12.55	\$12.55	\$12.95	\$20.90
Stone Pacific Contracting	07-Mar-12		\$10.58	\$16.33	\$11.83	\$11.83	\$11.83	\$11.83	\$19.33	\$23.83	\$15.33	\$22.00

excludes taxes in cost

Tenderer	Date Received	Local Bidder?	asphalt disposal	concrete disposal	concrete d w rebar	19mm drain rock	3 inch minus	haul back rate
Island Aggregates*	27-Feb-12		free	\$15.00	\$30.00	\$9.00	\$8.00	83-123/hr
<b>Van Isle Aggregates</b>	<b>06-Mar-12</b>		<b>free</b>	<b>free</b>	<b>free</b>	<b>free</b>	<b>free</b>	<b>\$120/hr</b>
Lafarge (Hub City Paving)	07-Mar-12		free	\$5.00	\$90.00	\$3.95	\$3.95	
Stone Pacific Contracting	07-Mar-12		free	\$3.00	\$10.00	free	free	\$2/tonne

excludes taxes in cost

\* 2011 Incumbent

Recommendation:

**Van Isle Aggregates**



Town of Ladysmith  
**STAFF REPORT**

To: Ruth Malli, City Manager  
From: Erin Anderson, Director of Financial Services  
Date: March 12, 2012  
File No:

---

**Re: Audited Financial Statements Bylaw 2012, No. 1805**

**RECOMMENDATION(S):**

That Council give first three readings to Town of Ladysmith Audited Financial Statements Bylaw 2012, No. 1805.

**PURPOSE:**

Bylaw 1805 provides for the adoption of the Town's Financial Statements as authorized expenditures for 2011.

**INTRODUCTION/BACKGROUND:**

Council will recall that the 2011 Financial Statements were presented at the April 23 Special Council meeting. Per section 167 of the *Community Charter*, these statements must be adopted by May 15<sup>th</sup> each year.

**SCOPE OF WORK:**

The Financial Statements are complete and the audit has concluded.

**FINANCIAL IMPLICATIONS:**

There are no financial considerations to this amendment.

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

This issue aligns with Strategic Direction A – "Wise Financial Management"

**SUMMARY:**

On tonight's agenda is the 2012 Bylaw No. 1805 to approve the 2011 audited Financial Statements as authorized expenditures for 2011.

I concur with the recommendation.

---

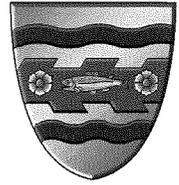
Ruth Malli, City Manager

**ATTACHMENTS:**

2011 Financial Statements

# Municipality of North Cowichan

APR 16 2012



7030 Trans Canada Highway, Box 278  
Duncan, BC V9L 3X4

Telephone: (250) 746-3136  
Fax: (250) 746-3154  
[www.northcowichan.ca](http://www.northcowichan.ca)

April 5, 2012

File: 5355-70 CVRD

Mayor Rob Hutchins  
Chair, CVRD Board of Directors  
c/o Town of Ladysmith  
PO Box 220, Stn. Main  
LADYSMITH BC V9G 1A2

Dear Mayor Hutchins

**Re: Joint Utilities Board (JUB) Lagoons Outfall Relocation and Resource Recovery Project  
Letter of Support Request - Gas Tax Grant Application**

The JUB, which is a partnership of the City of Duncan, Municipality of North Cowichan, Cowichan Tribes and the Cowichan Valley Regional District (Eagle Heights and Cowichan Bay sewer systems) to manage the lagoons sewage treatment, is requesting a letter of support for a grant application for gas tax funds. If successful, the JUB will use the funding to offset costs for the construction of a new outfall to Satellite Channel to replace the existing disposal of secondary and tertiary treated effluent to the Cowichan River, and to implement potential integrated resource recovery projects simultaneously with the outfall project.

The Cowichan Valley Regional District Liquid Waste Management Plan for the JUB partners, lists among its goals, the removal of the treated discharge from the Cowichan River and relocation to Satellite Channel. Removal of the discharge will accomplish this goal as well as satisfy the JUB's lease commitment to the Cowichan Tribes to remove the discharge from the Cowichan River.

The grant application includes the following components:

1. relocation of the JUB discharge from the Cowichan River to Satellite Channel;
2. working with the Cliffs over Maple Bay golf course to provide irrigation and effluent reuse which will reduce the ocean discharge during the irrigation season; and
3. working with Providence Farm, Freshwater Fisheries Society of BC, and potentially other properties to implement possible resource/heat recovery from the sewage.

It would be greatly appreciated if you would provide a letter of support similar to the sample enclosed.

Sincerely



John P. MacKay, P. Eng  
Director of Engineering and Operations

[mackay@northcowichan.ca](mailto:mackay@northcowichan.ca)

Enclosure

pc: Tom Ireland, City of Duncan  
Brian Dennison, CVRD  
Chip Seymour, Cowichan Tribes  
Dave Devana, Municipality of North Cowichan

## Sample Letter of Support

APR 16 2012

Date

Joint Utilities Board  
c/o Municipality of North Cowichan  
Box 278  
DUNCAN, BC V9L 3X4

Dear Sir or Madam

**Re: JUB Lagoons Outfall Relocating and Resource Recovery Project  
- Gas Tax Grant - SSP Fund**

We understand that the Joint Utilities Board is currently applying for funding assistance in order to offset costs for construction of a new outfall to Satellite Channel to replace the existing discharge to the Cowichan River and to implement potential integrated resource recovery projects.

We understand that this project is a goal of the Cowichan Valley Regional District Central Sector Liquid Waste Management Plan and will assist in the reduction of greenhouse gases.

We would like to express our support for this project.

Bruce  
Whittington

1031 Dunsmuir Crescent  
Ladysmith, BC V9G 1N7  
250-245-5325      brucewhittington@shaw.ca  
www.brucewhittington.strayfeathers.ca

18 April, 2012

The Mayor and Council  
Town of Ladysmith

Greetings:

I watched with hope recently as invasive English Ivy was being removed from the trunks of some Douglas-firs in my neighbourhood. My optimism was short-lived, however. The ivy was removed so that a faller could climb the trees to cut them down in pieces. The removal of these four trees brings the total number of mature trees cut down within a radius of two blocks to at least fifteen in less than three years. All were cut in an established neighbourhood and not for new construction. The trees ranged in size from 30 cm to nearly one metre in diameter.

I recognize that Council must decide which initiatives take priority, but the time is long past due for an urban forest policy. Ladysmith needs to assess its urban forest resources, inventory significant trees and other plants, plan for the replacement of trees that must be cut down, develop programs to foster a stewardship ethic in the community and pass bylaws to protect this precious natural heritage.

There is a certain hypocrisy in championing the protection of buildings that have stood for a hundred years or so while trees that have stood for three times that long have no protection (unless they are in parks.)

I don't need to remind you of Ladysmith's motto: "We Lead." We are far behind on this one and I urge you to give tree protection legislation high priority in this term.

Regards

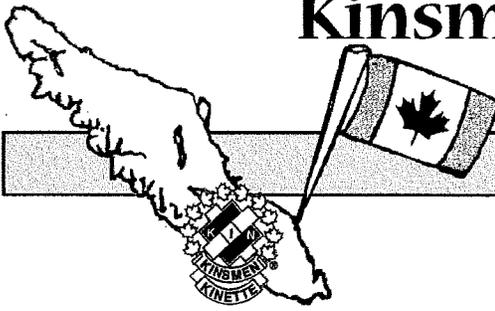


Bruce Whittington

# Kinsmen Club of Ladysmith

## On The 49th Parallel

P.O. Box 324, Ladysmith, B.C. V9G 1A3



April 25, 2012

Mayor and Council  
Town of Ladysmith  
P.O. Box 220  
Ladysmith, B.C.  
V9G 1A3



*Mayor Hutchins and Ladysmith Council;*

A couple of weeks ago the members of the Ladysmith Kinsmen Club were approached to see if they might be able to assist the “new” Ladysmith Museum. The Ladysmith & District Credit Union has very graciously offered the use of the old Resources Center to the Historical Society to establish a museum (although it is temporary) for the citizens of Ladysmith and area.

Their request of the Kinsmen is that our members build a wheelchair ramp up to the front door so that everybody would be able to access this great asset that we are getting.

The Kinsmen have decided to take it on as a project and at the present are gathering a list of materials so that we can go out and see what it will cost the club. We have also met with the Town’s Building Inspector, Tom Skarvig, to get his advice and input on how we are to do it so that it will meet all the necessary codes. We have also enlisted the help of Jerry Lealand, from Lealand Contracting, who will be taking on a supervisory role.

We think that this project will be quite costly for the Kinsmen and that is the reason for this letter. We have been told by the building inspector that we have to apply for a building permit, which we had anticipated but we are hoping that the Town will look favourably at forgiving the cost of the permit. We believe that all the funds we can save we will be able to put into the ramp structure.

The club members wish to thank you for your time and consideration of our request and we look forward to your favourable response.

If you require any further information please feel free to contact me at any time at 250-245-2263.

Yours In Kin

Duck (Don) Paterson  
Project Chair



**5th Annual Golf Tournament**  
**Cottonwood Golf Club, Friday, June 22nd, 2012**  
**Registration 12:00 noon**

---

**SPONSOR PACKAGES**

**GOLD-\$3,000**

- Exclusivity (ex. only one grocery store)
- Sign in banquet room
- 4 Golfers and Dinner
- Hole and Tee Sponsorship
- Set a Kiosk up at your tee to promote your business
- Signage on 2 golf Carts
- Recognition in the golf program, and awards ceremony
- Post-event recognition - thank you in the newspaper
- First right of refusal for the following year
- Logo on all advertising, poster, and entry forms if notified before publication

**SILVER-\$2,000**

- Exclusivity (ex. only one grocery store)
- 4 Golfers and Dinner
- Hole and Tee Sponsorship
- Set a Kiosk up at your tee to promote your business
- Recognition in the golf program, and awards ceremony
- Post-event recognition - thank you in the news paper

**BRONZE-\$1,000**

- 2 Golfers and Dinner
- Hole and Tee Sponsorship
- Set a Kiosk up at your tee to promote your business
- Recognition in the golf program, and awards ceremony
- Post-event recognition - thank you in the news paper

**Text of an electronic mail sent to Mayor Hutchins  
April 28, 2012**

Subject: request for grant in aid

Hi Rob

I'm writing in a bit of a panic as I just realized we have not as yet applied for a grant in aid this year and that the deadline is long past. I would like to submit a late request for \$750.

k The last few months have been rather challenging for us as I had knee replacement surgery rather suddenly and we have been scrambling as an organization to recover from this upset. Usually we receive an application in the mail that reminds us when the application is due.

This did not happen this year and of course, as Murphy's Law would have it, this coincided with the fact that we were not on top of the deadline date because of our unusual state of disarray.

I know that the budget for this year has been decided and I appologize for the disruption that our late request might cause. I am asking if our extenuating circumstances might be taken into account in considering our request for a grant in aid. We count on every dollar we receive to give the service we provide in Ladysmith, so the Town's support means a great deal to us and ultimately to the caregiving families we serve.

Rob, I understand that our request is out of order and appologize heartily for that. I thank you and the Town of Ladysmith for your support over the years and thank you for taking the time to consider our unusual request this year.

Good wishes  
Ranjana

Ranjana Basu, Coordinator  
Cowichan Family Caregivers Support Society PO Box 13, Shawnigan Lake, BC VoR 2Wo  
Phone: 250-743-7621  
email: [ranjana@familycaregiverssupport.org](mailto:ranjana@familycaregiverssupport.org)  
website: [www.familycaregiverssupport.org](http://www.familycaregiverssupport.org)

"How wonderful it is that no one need wait a single moment before starting to improve the world!"  
Anne Frank



TOWN OF LADYSMITH  
GRANTS APPLICATION

GENERAL INFORMATION

Grants for social, cultural, recreational, special events services are provided by Town Council on behalf of residents of the Town of Ladysmith. Only non-profit organizations are eligible for Civic Grants for these services. Applications for Grants will be received for both new programs and existing services.

Programs and services will be evaluated on the basis of need, appropriateness and demonstrated effectiveness. All grants are for a one-year period (or less). Applicants may be required to appear before the Government Services Committee to answer questions with respect to program services, finance, or other issues. The purpose of the Town Grants is to assist citizens to organize themselves around community issues and projects.

In preparation of your application, you are encouraged to submit any Appendixes that you feel would add to the understanding of your service. Please ensure all questions on the Grant Application are answered. Applications are due **February 21, 2012**. Applications should be returned to Erin Anderson, Director of Financial Services, Town of Ladysmith, Box 220, Ladysmith, B.C., V9G 1A2. For further information, please contact Erin at 250.245.6402. Applications received after the above date may not be considered.

\*\*\*\*\*

1. Name of Organization	Cowichan Family Caregivers Support Society
Address	1642 Jersey Rd., PO Box 13, Shawnigan Lake
Postal Code	VOR 2W0
Email Address	info@familycaregiverssupport.org
2. President/ Chairman	Garth Harvey
Address	2707 Mathew Place, Mill Bay
Postal Code	VOR 2P0
3. Treasurer	Jim Dakin
Address	886 Frayne Rd., Mill Bay
Postal Code	VOR 2P1

4. OFFICERS (Names only)	Tim Trousdell Carmen Gendron Glen Barlow Shirley Fowler	Allan Crosson
5. Contact Person	Ranjana Basu	
Address	1642 Jersey Rd, PO Box 13, Shawnaigan Lake	
Business Phone	250-743-7621	
Residence Phone	cell 250-709-5856	
6. Amount Requested	\$750	
7. How will the community benefit? (Aim)	our mission: to support family caregivers, alleviate stress, and improve their quality of life	
8. List full and part-time paid positions (use separate sheet if necessary)	Facilitator - Maggie Mac Donald (part-time)	
9. Number of individual participants (clients) who will receive your service.	40 - 50	
Number of volunteers	5	
Volunteer hours/ week	12	
10. Is your organization a registered society?	yes	
Number:	5-41458	
Is your organization a charitable institution?	yes	
Number:	867610446 RR0001	
11. What other efforts have been made to obtain funding? (include list of grants received or pending)	<ul style="list-style-type: none"> <li>- VHA grant - confirmed</li> <li>- United Way (Northun + Central Island) - pending</li> <li>- Ladysmith Health <sup>care</sup> Centre Auxiliary - pending</li> </ul>	

12. Please attach: (total local organization budget)	please see attached to email
A) Audited Financial Statement and/or Year End budget	please see attached to email
B) Current Year Projections	please see attached to email
C) Statement of Assets and Liabilities	please see attached to email (income statement)

**APPLICATION DUE: FEBRUARY 21, 2012**

The information included in this application is true and correct to the best of my knowledge.

Signature	Ranjana Basu	<i>Ranjana Basu</i>
Position/ Title		Coordinator
Date		April 23/12

**Budget Ladysmith 2012**

	<b>Budget Ladysmith</b>
<b><u>Revenues</u></b>	
<i>Dedicated funds:</i>	
Ladysmith Health Care Auxilliary	\$2,000.00
United Way CNVI	\$5,000.00
Town of Ladysmith	\$750.00
<i>General funds:</i>	
VIHA *	\$5,665.00
Other Grants	\$3,676.00
Fundraising	\$5,512.00
<b>Total Revenues</b>	<b>\$22,603.00</b>

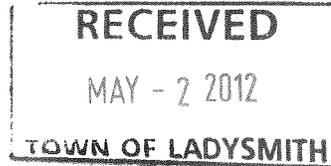
	<b>Budget Ladysmith</b>
<b><u>Expenses</u></b>	
Wages & Mileage	\$15,760.00
WCB	\$122.00
Communications Program	\$2,170.00
Fundraising	\$2,506.00
General & Administration Expense	\$1,753.00
<b>Total Expenses</b>	<b>\$22,311.00</b>
<b>Total Net Income</b>	<b>\$292.00</b>

# LADYSMITH

CHAMBER OF COMMERCE

P.O. Box 598  
411B First Avenue,  
Ladysmith, B.C. V9G 1A4

T 250 245 2112  
F 250 245 2124  
E [info@ladysmithcofc.com](mailto:info@ladysmithcofc.com)  
[www.ladysmithcofc.com](http://www.ladysmithcofc.com)



May 02, 2012

Town of Ladysmith  
PO Box 220  
Ladysmith BC  
V9G 1A2

Dear Mayor Hutchins & Council.

At the last Chamber General Meeting in April, Nick Versteeg from DV Cuisine/DV Media Inc. spoke to our membership regarding a promotional proposal to showcase what the Cowichan Valley has to offer. Included is a copy of the proposal for your review.

The Chamber was very impressed with Nick's product and as a part of the Cowichan Valley we feel that Ladysmith should definitely be a participant in this production and that it would be highly beneficial to Ladysmith as a whole.

The Ladysmith Chamber of Commerce would like to partner with the Town of Ladysmith and participate in this promotional venture. The cost would be \$500 each. We thank you in advance for considering this partnership and look forward to your response.

Sincerely,

A handwritten signature in cursive script that reads "Rob Waters".

Rob Waters  
President  
Ladysmith Chamber of Commerce



GOURMET TELEVISION PROGRAMMING  
A Division of DV Media Inc

**“The Cowichan Valley”**

**A Journey of Food, Art and Culture**

(suggested working title; any other suggestions will be appreciated)

A promotional proposal

from

DV Cuisine/ DV Media Inc  
Cowichan Bay, BC  
©DV Media Inc 2012

---

Phone: (250)746-4510 fax: (250)746-4543 email: [nick@dvcuisine.com](mailto:nick@dvcuisine.com)  
1770 Fenwick Road Cowichan Bay, BC V0N 1N1 Canada

## **Objective of the production**

To showcase what the Cowichan Valley offers: extraordinary natural beauty, ocean, rivers, lakes, mountains, and most importantly food, art and culture.

Local business people often ask me the question: “ *How can we keep the visitors here for a few days?*” My answer is by showing what the area has to offer and at the same time give ideas on a wide variety of activities while they are in the Cowichan Valley.

With the use of easy to follow and also printable maps the viewer will be able to plan a few days in the area with information where to stay, options where to dine, what places to visit and much more.

## **Target Audience:**

- Visitors/tourists to our area
- People who like to move to the Cowichan Valley
- Businesses that like to locate to our area

## **Production Content:**

The first minutes of the program would be a collage of the highlights of the Cowichan Valley, including views from Mount Tzouhalem, people fishing and tubing in the Cowichan River, views of farm land with water buffaloes grazing at Fairburn Farms, sailboats sailing into Cowichan Bay and Mill Bay.

We will show visitors enjoying themselves on great patios like Cherry Point Vineyards, Amusé Bistro and Merridale Cider restaurants. We mix in the seasons and see people working on the farms and in their vineyards, picking grapes in late September. This will be followed by visuals of a variety of Artisans, bread making at True Grain Bakery and Saison Market, cheese making at Hillary’s cheese, glass blowing and wine making at one of the wineries.

After the introduction we would go a deeper into the story of the Cowichan Valley and show some of the history through archive films and pictures. For example the old train station in Duncan, the importance of Maple Bay in the early years, the train going over the Kinsol Trestle.

At the Trestle we show maps of the Canada Trail and give tips on shorter hiking and bike trails. We will show beautiful Shawnigan Lake with its water attractions, as well as a visit to the Museum and enjoy the views from the Malahat.

We will visit and see the art of GBS Glass Studio, south of Shawnigan Lake and watch the amazing creations of hand blown glass by Ann & Grahame Fowle.

One of the attractions of our area is the abundance of small organic farms, where people can pick up their produce along road stands or with CSA (Community

supported Agriculture) programs. We would show a short feature on this and end up at one of the island largest farmers markets in Duncan.

Another feature in the program would be a calender of events throughout the year with links to more information on these events.

The production will feature short interviews with key people telling about their business. And people who have been on day trips through our area.

**Production Strategy:**

For the first three months we will gather as much information on the Cowichan Valley as we can to include a wide variety of attractions.

**Some of the other attractions:**

Cowichan Theatre  
Chemainus Theatre  
Lake Cowichan  
Ladysmith  
Eco Tourism  
Whale watching  
Art Galleries  
Golf courses  
Ocean Kayaking  
BC Forest Discovery Centre  
Chemainus Murals  
Birds of Prey visitor Centre  
Quw'utsun Cultural Centre  
Totem tour through Duncan  
Whipple Tree Junction  
Carmanah Pacific Provincial Park

**Financing of the project:**

Businesses featured in the program that would directly benefit from its marketing value will be approached as partners and asked to contribute towards the cost of the production.

In exchange they would not only be featured in the production, but will get an extended video clip of their portion for their website, and also would get a digital copy of the complete program.

We will approach the CVRD to match funding and help in creating a special section on their website where visitor can find all this information.

**Budget:**

Creating a visual script	\$ 500.00
Filming/ Travel	10.000.00
Postproduction Including Graphics, Music/Sound-mix	10.000.00
Creating Digital copies	2.500.00
<b>Total Cost:</b>	<b>\$ 23.000.00</b>

**Cost recovery:**

**10-15 sponsors/participants will be asked to contribute \$1.000.00 each**

**CVRD to match funds**

**Possible sponsors:**

**GBS Glass Blowing** Ann & Grahame Fowle 678 Shawnigan Lake Road, Malahat,  
B.C. Canada, V0R 2L0. Tel: (250) 743-5666 Email: [info@glassblow.ca](mailto:info@glassblow.ca)

**Rocky Creek Winery**  
1854 Myhrest Road, Cowichan Bay, BC V0R 1N1  
(250) 748-5622

**True Grain Bakery**  
1725 Cowichan Bay Rd. PO Box 6 Cowichan Bay, BC  
V0R 1N0 (250)-746-7664 <http://www.truegrain.ca>

**Hillary Cheese** 1725 Cowichan Bay Rd, Cowichan Bay, BC V0R 1N1  
(250) 748-5992

**Cherry Point Winery** -840 Cherry Point Road, Cobble Hill, BC V0R 1L3  
(250) 743-1272

**Saison Market Vineyard** - 7575 Mays Road, North Cowichan, BC

**The Quw'utsun Cultural & Conference Centre**, Duncan, BC

**Whale Watching** 1721 Cowichan Bay Road, Cowichan Bay, BC V0R 1N0  
(250) 748-3800

**Cowichan Bay Kayak & Outfitters** Tel: 250-748-2333 or 888-749-2333

**Unsworth Vineyards and Amuse at the Vignyard**

**TOWN OF LADYSMITH**

**BYLAW NO. 1799**

A bylaw to amend the Sanitary Sewer Rates Bylaw 1999, No. 1299 of the Town of Ladysmith.

---

**WHEREAS** pursuant to the *Community Charter*, The Municipal Council may, by bylaw, regulate, prohibit and impose requirements in relation to municipal services:

**NOW THEREFORE** the Municipal Council of the Town of Ladysmith in open meeting assembled enacts as follows:

**Amendment**

1. Schedule "A" of "Sanitary Sewer Rates Bylaw 1999, No. 1299" is hereby replaced with the attached Schedule A.
2. The provisions of this bylaw shall become effective and be in force as of the 1st day of April 2012.

**Citation**

3. This bylaw may be cited as "Sanitary Sewer Rates Bylaw 1999, No. 1299, Amendment Bylaw 2012, No. 1799".

<b>READ A FIRST TIME</b> on the	19 <sup>th</sup>	day of	March,	2012
<b>READ A SECOND TIME</b> on the	19 <sup>th</sup>	day of	March,	2012
<b>READ A THIRD TIME</b> on the	19 <sup>th</sup>	day of	March,	2012
<b>ADOPTED</b> on the		day of	,	2012

---

Mayor (R. Hutchins)

---

Director of Corporate Services (S. Bowden)

## Town of Ladysmith

"Sewer Rates bylaw 1999, No. 1299, Amendment Bylaw 2012, No. 1799

**Schedule of Rates**

<b>CLASSIFICATION</b>		<b>Sewer Rental Charge Per Month</b>
<b>Residences or Apartments:</b>	Single Family	\$14.00
	Two Family	\$14.00/unit
	Multi-Family, including apartment units	\$14.00/unit
<b>Motels &amp; Auto Courts:</b>	Premises of owner or operator	\$14.00
	For each rental unit	\$ 2.16
<b>Mobile Home Parks:</b>	Public rest rooms and/or service rooms	\$14.00
	For each mobile home with sewer connection	\$14.00
<b>Hotels:</b>	Owners or managers quarters	\$14.00
	Per apartment for rent	\$14.00
	Per room for rent	\$ 2.16
<b>Beer Parlours, Pubs, Licensed Cabarets &amp; Lounges:</b>	For each separately licensed area	\$30.24
<b>Cafes, Restaurants &amp; Dining Rooms</b>		\$30.24
<b>Offices, Shops and Stores:</b>	(per office, shop & store unit not otherwise specified)	\$14.00
<b>Store(s) and Suite(s) combined:</b>	Per store unit	\$14.00
	Per suite	\$14.00
<b>Store(s) and Office(s) combined:</b>	Per store unit	\$14.00
	Per office unit	\$14.00
<b>Office Building:</b>	Per office unit	\$14.00
<b>Laundry or Laundromat</b>		\$48.60
<b>Service Stations and Garages:</b>	Without car wash	\$14.00
	With car wash	\$32.40
<b>Public or Social Club with licensed bar</b>		\$30.24
<b>Church Hall, Public Hall or Lodge Room</b>		\$10.80
<b>Hospitals - per bed</b>		\$ 6.48
<b>Schools - per classroom, auditorium or office</b>		\$14.00

**TOWN OF LADYSMITH**

**BYLAW NO. 1800**

A bylaw to amend the Water Services Rates of the Town of Ladysmith.

---

WHEREAS pursuant to the *Community Charter*, The Municipal Council may, by bylaw, regulate, prohibit and impose requirements in relation to municipal services:

**NOW THEREFORE** the Municipal Council of the Town of Ladysmith in open meeting assembled enacts as follows:

**Amendment**

1. Schedule "A" of "Waterworks Regulations Bylaw 1999, No. 1298, Amendment Bylaw 2010, No. 1726 is hereby replaced with the attached Schedule A.
2. The provisions of this bylaw shall become effective and be in force as of the 1st day of April 2012.

**Citation**

3. This bylaw may be cited as "Waterworks Regulations Bylaw 1999, No. 1298, Amendment Bylaw 2012, No. 1800".

**READ A FIRST TIME** on the 19<sup>th</sup> day of March, 2012  
**READ A SECOND TIME** on the 19<sup>th</sup> day of March, 2012  
**READ A THIRD TIME** on the 19<sup>th</sup> day of March, 2012  
**ADOPTED** on the day of , 2012

---

Mayor (R. Hutchins)

---

Director of Corporate Services (S. Bowden)

SCHEDULE "A"

TOWN OF LADYSMITH

"Waterworks Regulations Bylaw 1999, No. 1298, Amendment Bylaw 2012, No. 1800"

**SCHEDULE OF RATES**

<p>1. <b><u>Metered Service (Quarterly) for Each Individually Metered Single Family Dwelling Unit</u></b></p>	<p>\$22.00 base rate per quarter                  \$0.50/m<sup>3</sup> for next 26 m<sup>3</sup> to 50 m<sup>3</sup>                  \$0.60/m<sup>3</sup> for next 51 m<sup>3</sup> to 75 m<sup>3</sup>                  \$0.75/m<sup>3</sup> for next 76 m<sup>3</sup> to 100 m<sup>3</sup>                  \$1.00/m<sup>3</sup> for next 101 m<sup>3</sup> to 125 m<sup>3</sup>                  \$1.35/m<sup>3</sup> for &gt;126 m<sup>3</sup></p>
<p>2. <b><u>Metered Service (Quarterly) for All Other Users</u></b></p>	<p>\$22.00 base rate per quarter                  (includes up to 25 cubic meters) and                  \$0.45/cu.m. for any use over 25                  cubic meters</p>
<p>3. <b><u>Non-Metered Service (Quarterly)</u></b></p>	<p>\$39.00 flat rate, per unit, per quarter</p>
<p>4. <b><u>Service Connection Rates</u></b></p> <p>.1 Where a service connection has not been previously provided to a parcel but where the Public Waterworks System fronts or abuts the parcel:</p> <p>(a) 19 mm (3/4") service connection including meter, meter box, meter setter, check valves, shut-off valves and any other related appurtenances ....</p> <p>(b) larger than 19 mm (3/4") shall be at cost but not less than ..</p> <p>.2 Where a service connection has been previously provided to a parcel:</p> <p>(a) and that service connection includes a meter, meter box, meter setter, check valves, shut-off valves and any other related appurtenances and is the requested size ....</p> <p>(b) any upgrading of that service in size including installation of a water meter, meter box, meter setter, check valves, shut-off valves and any other related appurtenances shall be at cost, but not less than ....</p>	<p>\$2,400.00</p> <p>\$2,400.00</p> <p>\$ 100.00</p> <p>\$2,400.00</p>

---

**TOWN of LADYSMITH**

**BYLAW NO. 1801**

A bylaw establishing the Financial Plan for the years 2012-2016.

---

**WHEREAS** the *Community Charter* requires Municipal Councils to prepare and adopt, by bylaw, a financial plan;

**NOW THEREFORE** the Council of the Town of Ladysmith in open meeting assembled enacts as follows:

- (1) Schedule "A" attached hereto and made part of the bylaw is hereby adopted and shall be the Financial Plan for the Town of Ladysmith for the five years ending the thirty-first day of December, 2016.
- (2) Schedule "B" attached hereto and made part of the bylaw is hereby adopted and shall be the statement of objectives and policies for the Town of Ladysmith for the five years ending the 31<sup>st</sup> of December 2016.
- (3) This bylaw may be cited for all purposes as: "*Town of Ladysmith Financial Plan Bylaw 2012, No. 1801*".
- (4) "Town of Ladysmith Financial Plan Bylaw 2011, No. 1761" is hereby repealed.

<b>READ A FIRST TIME</b>	on the	23 <sup>rd</sup>	day of	April, 2012
<b>READ A SECOND TIME</b>	on the	23 <sup>rd</sup>	day of	April, 2012
<b>READ A THIRD TIME</b>	on the	23 <sup>rd</sup>	day of	April, 2012
<b>ADOPTED</b>	on the	<sup>th</sup>	day of	May, 2012

---

Mayor (R. Hutchins)

---

Corporate Officer (S. Bowden)

Schedule 'A' of Bylaw 1801

Town of Ladysmith 2012-2016

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>REVENUES:</b>					
Revenue From Property Tax Values	6,668,210	7,306,114	7,671,419	8,131,704	8,578,947
Revenue From Grants In Lieu	153,616	156,688	159,822	163,018	166,278
Revenue From Parcel Taxes	1,294,404	1,647,694	1,652,384	1,692,534	1,697,324
Revenue From Fees & Charges	2,988,581	3,110,295	3,151,482	3,238,473	3,328,077
Revenue From Other Sources	2,463,888	7,987,184	2,760,711	370,976	379,644
	<u>13,568,699</u>	<u>20,207,975</u>	<u>15,395,818</u>	<u>13,596,705</u>	<u>14,150,270</u>
<b>EXPENSES:</b>					
General Operating Expense	8,748,589	9,251,323	9,430,131	9,612,511	9,798,530
Sanitary Sewer Operating Expenses	625,300	640,601	1,122,261	1,196,789	1,245,372
Water Operating Expenses	482,970	495,590	509,234	523,192	537,584
Interest Payments	451,065	666,827	760,942	955,954	860,358
Amortization	2,341,011	2,387,831	2,435,588	2,484,300	2,533,986
	<u>13,648,935</u>	<u>15,436,172</u>	<u>14,268,156</u>	<u>14,772,746</u>	<u>15,085,830</u>
Annual Surplus/Deficit	919,764	6,765,803	1,137,662 -	1,176,041 -	825,560
Add back:					
Amortization	2,341,011	2,387,831	2,435,588	2,484,300	2,533,986
Capital Expenditures					
General Capital	1,423,228	1,298,000	4,474,000	6,638,300	839,392
Sanitary Sewer Capital	6,064,539	12,100,000	1,000,000	100,000	100,000
Water Capital	2,488,909	3,700,000	3,370,000	700,000	700,000
Proceeds from New Debt	(5,454,309)	(5,723,455)	(3,890,484)	(5,000,000)	0
Principal Payments	338,509	650,532	723,873	785,279	774,012
Transfers from DCC's & Reserves	(363,680)	(610,437)	(782,442)	(538,131)	(425,185)
Transfer to/from Own Funds	(1,236,421)	(2,261,006)	(1,321,697)	(1,377,189)	(279,793)
	<u>(1,236,421)</u>	<u>(2,261,006)</u>	<u>(1,321,697)</u>	<u>(1,377,189)</u>	<u>(279,793)</u>
Financial Plan Balance	-	-	-	-	-

Schedule 'B' of Bylaw No. 1801

**Town of Ladysmith 2012 – 2016 Financial Plan  
Statement of Objectives and Policies**

In accordance with Section 165(3.1) of the Community Charter, the Town of Ladysmith (Town) is required to include in the Five Year Financial Plan, objectives and policies regarding each of the following:

1. The proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the Community Charter;
2. The distribution of property taxes among the property classes, and
3. The use of permissive tax exemptions.

**Funding Sources**

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2012. Property taxes form the greatest proportion of revenue. As a revenue source, property taxation offers a number of advantages, for example, it is simple to administer and it is fairly easy for residents to understand. It offers a stable and reliable source of revenue for services that are difficult or undesirable to fund on a user-pay basis. These include services such as general administration, fire protection, police services, bylaw enforcement and street lighting.

User fees and charges form a large portion of planned revenue. Many services can be measured and charged on a user-pay basis. Services where fees and charges can be easily administered include water and sewer usage, building permits, business licenses, and sale of services - these are charged on a user pay basis. User fees attempt to apportion the value of a service to those who use the service.

**Objective**

- Over the next five years, the Town will increase the proportion of revenue that is received from user fees and charges by at least 3 percent over the current levels.

**Policies**

- The Town will review all user fee levels to ensure they are adequately meeting both the capital and delivery costs of the service.
- Universal water metering rates will be reviewed to ensure that appropriate user fees and charges, rather than taxation, to lessen the burden on its limited property tax base.

**Table 1: Sources of Revenue**

	<u>2012</u>	<u>% total</u>
Property Taxes	\$ 6,668,210	32.3%
Grants in Lieu	153,616	0.7%
Parcel Taxes	1,294,404	6.3%
User fees & Charges	2,988,581	14.5%
Other Sources	209,920	1.0%
Borrowing	5,454,309	26.4%
Government Grants	2,253,968	10.9%
DCC's & Reserves	363,680	1.8%
Own Funds	1,236,421	6.0%
	\$ 20,623,109	

**Distribution of Property Tax Rates**

Table 2 outlines the distribution of property taxes among the property classes. The residential property class provides the largest proportion of property tax revenue. This is appropriate as this class also forms the largest portion of the assessment base and consumes the majority of Town services.

**Objectives**

- Over the next five years: reduce the share of property tax paid by Major Industry (Class 4) by at least 2 percent. This reduction of the tax burden on industrial properties continues a commitment to encourage investment and employment in the community.
- Maintain the property tax rate for business and other (Class 6) at the current rate or less.

### Policies

- Supplement, where possible, revenues from user fees and charges to help to offset the burden on the entire property tax base as a result of the reduction in the tax share paid by major industry (Class 4).
- If a tax shift to other property classes is required as a result of the reduction in the tax rate to major industry (Class 4), Residential (Class 1) should be the first to absorb any such shifts.
- Continue to maintain and encourage economic development initiatives designed to attract more light industry, retail and commercial businesses to invest in the community. New investment from these areas will help offset the reduction to major industry (Class 4) while providing more revenue for the Town.
- Align the distribution of tax rates among the property classes with the social and economic goals of the community, particularly to encourage economic and environmental sustainability opportunities.
- Regularly review and compare the Town's distributions of tax burden relative to other municipalities in British Columbia.

**Table 2: Distribution of Property Tax Rates**

Property Class	% of Total Property Taxation	Dollar Value
Residential (1)	69.34 %	\$4,623,510
Utilities (2)	0.46%	30,473
Major Industry (4)	14.19%	945,952
Light Industry (5)	0.93%	62,192
Business and Other (6)	14.89%	993,085
Managed Forest Land (7)	.000%	174
Recreation/Non-profit (8)	.17%	11,533
Farmland (9)	.02%	1,291
<b>Total</b>	<b>100%</b>	<b>\$6,668,210</b>

### Permissive Tax Exemptions

The Town provides permissive tax exemptions. Some of the eligibility criteria for permissive tax exemptions include the following:

- The tax exemption must demonstrate benefit to the community and residents of the Town by enhancing the quality of life (economically, socially and culturally) within the community.
- The goals, policies and principles of the organization receiving the exemption must not be inconsistent or in conflict with those of the Town.
- The organization receiving the exemption must be a registered non-profit society, as the support of the municipality will not be used for commercial and private gain.
- Permissive tax exemptions will be considered in conjunction with: (a) other assistance being provided by the Town; (b) the potential demands for Town services or infrastructure arising from the property; and (c) the amount of revenue that the Town will lose if the exemption is granted.

### Objective

- The Town will continue to provide permissive tax exemptions to some non-profit societies. The Town has also expanded its offering of permissive tax exemptions to include revitalization tax exemptions. It also intends to offer permissive tax exemptions targeted at green development for the purposes of encouraging development that will meet our *Climate Action Charter* commitments.

### Policies

- Expand the permissive tax exemption policy to include eligibility requirements for green revitalization tax exemptions.
- Develop a revitalization tax exemption program which details the kinds of green activities that the exemption program will target.
- Integrate the green revitalization tax exemption program into the Town's existing economic initiatives as a means of attracting retail and commercial businesses to further invest in the community.

**Table 3: Utilization of Reserves, Development Cost Charges and Surplus**

Source	% of Total	Dollar Value
Reserves	10%	\$159,305
Development Cost Charges	17%	275,575
Surplus	73%	1,165,221
<b>Total</b>		<b>\$1,600,101</b>

**TOWN OF LADYSMITH**

**BYLAW NO. 1802**

A bylaw for the levying of rates for Municipal, Hospital and Regional District purposes for the year 2012.

---

**WHEREAS** the Council of the Town of Ladysmith shall, pursuant to Section 197 of the *Community Charter*, in each year, adopt a bylaw to impose rates on taxable land and improvements according to their assessed value to provide the money required for purposes specified in the Charter;

**NOW THEREFORE** the Municipal Council of the Town of Ladysmith in open meeting assembled enacts as follows:

The following rates are hereby imposed:

1. (a) For all lawful general purposes of the municipality on the assessed value of the land and improvements taxable for general municipal purposes, rates appearing in column "A" of the Schedule attached hereto and forming part of this bylaw.
  - (b) For the purposes of the Cowichan Valley Regional District on the assessed value of land and improvements taxable for regional hospital district purposes, rates appearing in column "B" of the Schedule attached hereto and forming part of this bylaw.
  - (c) For hospital purposes on the assessed value of land and improvements taxable for regional hospital district purposes, rates appearing in column "C" for the Cowichan Valley Regional Hospital District attached hereto and forming part of this bylaw.
2. This bylaw may be cited as the "Town of Ladysmith Tax Rates Bylaw 2012, No. 1802".

**READ A FIRST TIME** on the 23<sup>rd</sup> day of April, 2012

**READ A SECOND TIME** on the 23<sup>rd</sup> day of April, 2012

**READ A THIRD TIME** on the 23<sup>rd</sup> day of April, 2012

**ADOPTED** on the \_\_\_\_\_ day of \_\_\_\_\_, 2012

---

Mayor (R. Hutchins)

---

Corporate Officer (S. Bowden)

**TOWN OF LADYSMITH BYLAW No. 1802 - 2012**

**SCHEDULE "A"**

**TAX RATES (Dollars of tax per \$1000 taxable value)**

PROPERTY CLASS	<u>A</u>	<u>B</u>	<u>C</u>
	Municipal	Cowichan Valley Regional District	Cowichan Valley Regional Hospital District
1. Residential	4.4627	0.5721	0.3538
2. Utility	36.2691	2.0023	1.2382
4. Major Industrial	94.9074	1.9451	1.2028
5. Light Industrial	20.9218	1.9451	1.2028
6. Business & Other	14.5068	1.4016	0.8668
7. Managed Forest	37.0427	1.7163	1.0613
8. Recreation/Non-Profit	3.0309	0.5721	0.3538
9. Farm	28.1525	0.5721	0.3538

**TOWN OF LADYSMITH**

**BYLAW NO. 1803**

A bylaw to amend the "Town of Ladysmith Zoning Bylaw 1995, No. 1160"

**WHEREAS** pursuant to the *Local Government Act*, the Municipal Council is empowered to amend the zoning bylaw;

**AND WHEREAS** after the close of the Public Hearing and with due regard to the reports received, the Municipal Council considers it advisable to amend "Town of Ladysmith Zoning Bylaw 1995, No. 1160";

**NOW THEREFORE** the Council of the Town of Ladysmith in open meeting assembled enacts as follows:

1. The text of "Town of Ladysmith Zoning Bylaw 1995, No. 1160" as amended, is hereby further amended as follows:
  - (a) Section 4.0 "Definitions" is amended by adding the following:
    - (i) Adding a new definition immediately following the definition of 'bed and breakfast inn':  
"bio-swale" means a type of bio-filter designed to remove silt and pollution from surface runoff, consisting of a swaled drainage course with gently sloped sides and may be filled with vegetation or riprap.
    - (ii) Adding a new definition immediately following the definition of 'car wash':  
"Certified Energy Advisor" means an energy advisor certified with a service organization licensed by the Office of Energy Efficiency of Natural Resources Canada."
    - (iii) Adding a new definition immediately following the definition of 'dwelling unit':  
"EnerGuide Energy Standard" means the energy standard created and standardized by the Office of Energy Efficiency of Natural Resources Canada that is applied to British Columbia buildings.
  - (b) Add to the list in section 6.1 (1): "34.0 Comprehensive Development 2 (CD-2)"
  - (c) Add a new section "34.0 Comprehensive Development 2 (CD-2)" as shown on 'Schedule I' attached to and forming part of this Bylaw.
2. The zoning map, being 'Schedule A' to "Town of Ladysmith Zoning Bylaw 1995, No. 1160" is hereby amended by:
  - (a) adding "CD-2" (Comprehensive Development 2 Zone) to the list of zones, and
  - (b) placing "CD-2" (Comprehensive Development 2 Zone) on Lot 5, District Lot 56, Oyster District, Plan 965, except part in Plan 31211 (320 4<sup>th</sup> Avenue Extension) as shown on 'Schedule II' attached to and forming part of this Bylaw.

**CITATION**

3. This bylaw may be cited for all purposes as "Town of Ladysmith Zoning Bylaw 1995, No. 1160, Amendment Bylaw (No. 89) 2012, No. 1803".

**READ A FIRST TIME** on the day of

**READ A SECOND TIME** on the day of

**PUBLIC HEARING** held pursuant to the provisions of the *Local Government Act*

on the day of

**READ A THIRD TIME** on the day of

**ADOPTED** on the day of

---

Mayor (R. Hutchins)

---

Corporate Officer (S. Bowden)

**Bylaw 1803 - Schedule I**

**34.0 COMPREHENSIVE DEVELOPMENT TWO (CD-2)**

**34.1 Permitted Uses**

The following uses are permitted:

- (a) residential use;
- (b) home occupation.

**34.2 Permitted Buildings and Structures**

The following buildings and structures are permitted:

- (a) single family dwelling;
- (b) accessory building.

**34.3 Conditions - Buildings and Structures**

- (a) The location of buildings and structures shall generally comply with Figure A: Comprehensive Development Two (CD-2) Zone Site Plan.
- (b) A maximum of 12 residential units is permitted in the CD-2 Zone (see also Section 33.7).
- (c) Despite Section 34.2(a), secondary suites are not permitted.
- (d) The maximum permitted building and structure site coverage shall not exceed 30%.
- (e) No buildings or structures located on a parcel within this Zone shall be closer than 6.0 metres to all lot lines, except unit #1 which may be 4.5 metres to the north side lot line.
- (f) The minimum horizontal building dimension of a single family dwelling shall be 6.5 metres.
- (g) The height of a single family dwelling shall not exceed 9.0 metres; except where the building roof pitch is less than 4:12, then the maximum height shall be 7.5 metres.
- (h) An accessory building or structure:
  - i) Shall not exceed one storey,
  - ii) Shall not exceed a height of 5.0 metres, except where the roof pitch is less than 4:12, then the maximum height shall be 3.5 metres; and
  - iii) Shall not exceed a gross floor area of 45 square metres.

**34.4 Conditions - Landscaping**

- (a) Despite Section 34.3(e), a continuous wooden fence with a minimum height of 1.2 metres shall be provided on property lines adjacent to neighbouring residential development, as shown on Figure A.
- (b) Disposal of surface run-off and storm water must be managed in part through the installation of a bio-swale, generally as shown on Figure A.
- (c) 40% of the area of land in the CD-2 Zone shall remain free of coverage by impermeable surfaces.
- (d) Existing vegetation within the buffer area identified on Figure A shall be maintained and preserved to provide a protection and buffer for the steep slope and Holland Creek trail.

**34.5 Minimum Lot Size**

- (a) All development must be connected to water and sewer services.
- (b) The minimum parcel size permitted shall be one hectare.

**34.6 Off Street Parking and Loading**

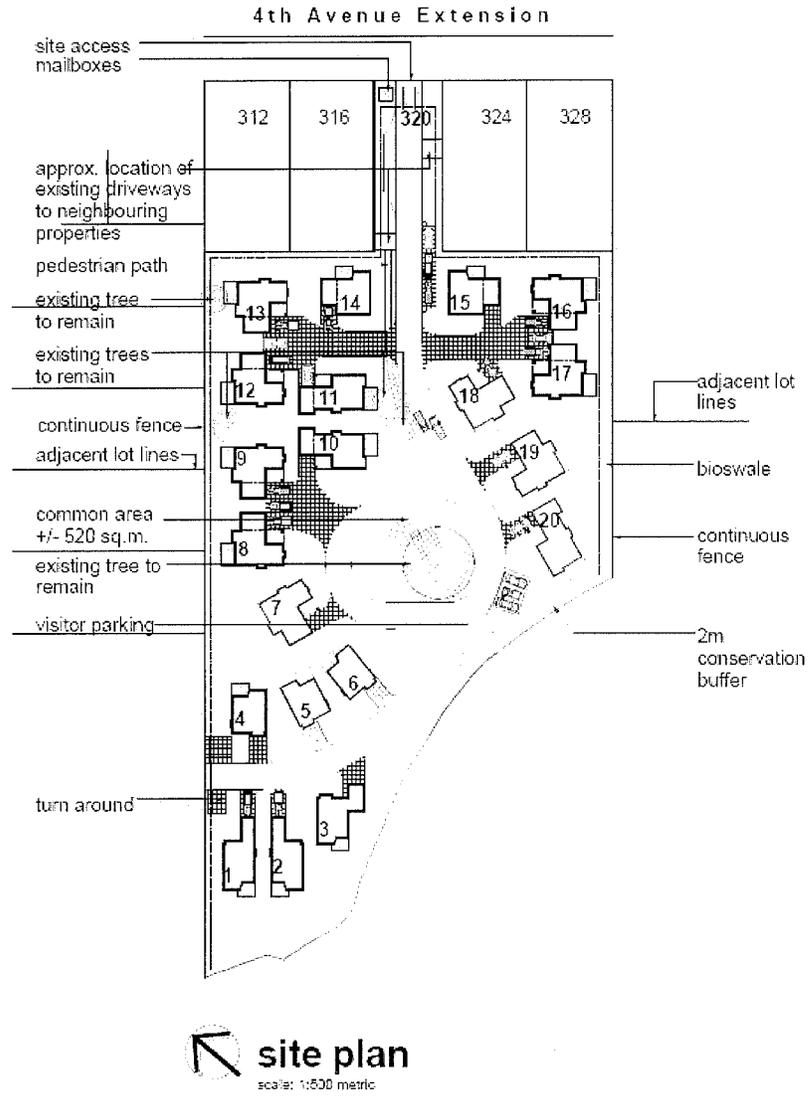
- (a) Off-street parking and loading must be provided as required by the Municipality's parking regulations.
- (b) In addition to the parking required in accordance with section 34.6(a), a minimum of six parking stalls shall be provided for visitor parking.

**34.7 Density Bonus**

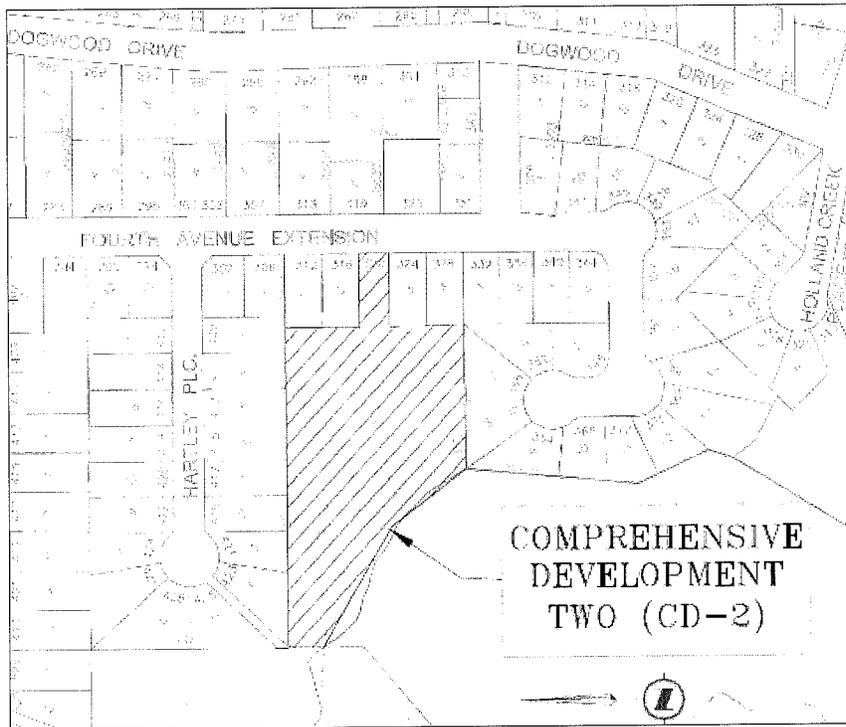
Despite section 34.3(b) above, a density bonus is permitted within the CD-2 Zone as indicated in the table below where amenities listed in Column One are provided to assist the Town of Ladysmith in meeting its greenhouse gas emission reduction targets in accordance with the Official Community Plan. Where the developer provides the amenities listed in Column One, a density bonus is permitted as listed in Column Two.

<b>COLUMN ONE: AMENITIES</b>	<b>COLUMN TWO: DENSITY BONUS</b>
<p><i>Each Single Family Dwelling shall attain a minimum of EnerGuide 80 Energy Standard, and the following steps shall be completed for each single family dwelling:</i></p> <ol style="list-style-type: none"> <li>1. Prior to issuance of a building permit, provide a copy of the energy audit from a Certified Energy Advisor.</li> <li>2. Prior to issuance of a building permit, provide a letter of credit for 1% of the construction costs.</li> <li>3. Prior to issuance of an occupancy permit, provide a letter from the Certified Energy Advisor stating that the single family dwelling has complied with the EnerGuide 80 Energy Standard.</li> <li>4. The letter of credit will be returned once the letter from the Certified Energy Advisor stating that the single family dwelling has complied with the EnerGuide 80 Energy Standard has been received by the Building Inspector.</li> </ol>	<p>A maximum of 20 dwelling units is permitted in the CD-2 Zone.</p>

**Figure A: Comprehensive Development Two (CD-2) Zone Site Plan**



Bylaw 1803 – Schedule II



**TOWN OF LADYSMITH**

**BYLAW NO. 1804**

**A Bylaw to Reduce Development Cost Charges for Not-for-Profit Rental Housing**

---

**WHEREAS** Council is permitted by section 933.1 of the Local Government Act to waive or reduce a development cost charge by bylaw for not-for-profit rental housing, including supportive living housing;

**WHEREAS** Council wishes to provide for a reduction of a development cost charge where the monthly rent for a not-for-profit rental housing unit is equal to or less than the figure calculated by multiplying the median housing income of the Town of Ladysmith by 2%, which is the equivalent of households within 80% of the median household income paying 30% of their household income annually toward the cost of housing;

**NOW THEREFORE** the Council of the Town of Ladysmith in open meeting assembled, enacts as follows:

**DEFINITIONS**

1. In this Bylaw:

*'Eligible Development Housing Agreement'* means an Agreement under section 905 of the *Local Government Act* between the Town of Ladysmith and an owner of land seeking a reduction in development cost charges.

*'Not-for-profit rental housing'* means one or more rental dwelling units:

- (a) that are operated as rental housing for tenants who are capable of independent living and meet eligibility criteria related to income, health or other similar criteria;
- (b) that are subsidized by the Province of British Columbia or by an incorporated not-for-profit organization; and,
- (c) that are publicly owned or owned and operated by an incorporated not-for-profit organization.

including, but not limited to, units within a development assessed as Class 3 for purposes of the *Assessment Act*.

**ELIGIBLE DEVELOPMENT**

2. For the purposes of this Bylaw, not-for-profit rental housing that meets the conditions in section 3 constitutes a class of eligible development.

3. To be eligible for the reduction in development cost charges, the not-for-profit rental housing shall meet the following conditions:

- (a) there is an Eligible Development Housing Agreement for a period of not less than 20 years, requiring that the monthly rent charged for each individual dwelling unit shall not exceed the figure calculated by multiplying the median household income for the Town of Ladysmith, as reported by Statistics Canada in the most recent census, by 2%; and
- (b) the owner submits an annual report to the Town of Ladysmith no later than January 15 of each year the Eligible Development Housing Agreement is in effect, confirming that each individual dwelling unit met the definition of not-for-profit rental housing as well as the eligibility criteria in section 3(a) for the previous calendar year.

4. A reduction of development cost charges granted under this Bylaw is subject to the condition that if at any time during the period of the Eligible Development Housing Agreement referenced in section 3, a dwelling unit no longer meets the definition of not-for-profit rental housing or no longer fulfills the conditions in section 3:
  - (a) it shall no longer be an eligible development under this Bylaw, and
  - (b) the owner of the land shall be liable for repayment of development cost charges in accordance with section 6.

**REDUCTION**

5. The Town of Ladysmith development cost charge will be reduced by 100% in respect of a dwelling unit that meets the definition of not-for-profit rental housing in this Bylaw and is an eligible development as defined in section 3.

**REPAYMENT**

6. The full amount of development cost charges that would have been payable on the date the building permit was approved, had the reduction not applied, plus interest at the rate of 3% per year calculated monthly since the date of the waiver compounded annually, shall immediately become due and payable to the Town for a dwelling unit that no longer qualifies as an eligible development under this Bylaw, as referenced in section 3.

**PERPETUAL WAIVER**

7. Once the period of the Eligible Development Housing Agreement has concluded, being a period of not less than 20 years, the development cost charges that would have applied to the original construction of the dwelling units that were part of the eligible development are thereafter waived in perpetuity and unconditionally.

**FURTHER DCCS PAYABLE**

8. Despite section 7, an applicant for further or additional development of the land in respect of which development cost charges have been waived under this Bylaw shall pay development cost charges that may be payable under a bylaw, as a result of such further or additional development during or after the term of the Eligible Development Housing Agreement, calculated in accordance with the bylaws applicable at the time of application for a development approval.

**SEVERABILITY**

9. If any part, paragraph or phrase in this Bylaw is for any reason held to be invalid by the decision of a court of competent jurisdiction, that portion shall be severed and the remainder of this Bylaw shall continue in force.

**CITATION**

10. This Bylaw may be cited as “Town of Ladysmith Not-for-Profit Rental Housing Development Cost Charges Reduction Bylaw, 2012, No. 1804”.

<b>READ A FIRST TIME</b> on the	day of	2012
<b>READ A SECOND TIME</b> on the	day of	2012
<b>READ A THIRD TIME</b> on the	day of	2012
<b>ADOPTED</b> on the	day of	2012

---

Mayor (R. Hutchins)

---

Director of Corporate Services (S. Bowden)

**TOWN OF LADYSMITH**

**BYLAW NO. 1805**

A bylaw of the Town of Ladysmith to approve the 2011 Audited Financial Statements as authorized expenditures for 2011.

---

**WHEREAS** the Council of the Town of Ladysmith deems it appropriate to approve the 2011 Audited Financial Statements.

**NOW THEREFORE** the Council of the Town of Ladysmith in open meeting assembled enacts as follows:

- (1) The 2011 Audited Financial Statements for the Town of Ladysmith, attached hereto as Schedule A, are hereby considered to be authorized expenditures for 2011.
- (2) This bylaw may be cited for all purposes as "*Town of Ladysmith 2011 Audited Financial Statements Bylaw 2012, No. 1805.*"

**READ A FIRST TIME** on the                      day of                      , 2012

**READ A SECOND TIME** on the                      day of                      , 2012

**READ A THIRD TIME** on the                      day of                      , 2012

**ADOPTED** on the                      day of                      , 2012

---

Mayor (R. Hutchins)

---

Director of Corporate Services (S. Bowden)

**TOWN OF LADYSMITH**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2011**  
**Audited**

## STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Town of Ladysmith and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting standards.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

The Council of the Town met with management and the external auditors to review the consolidated financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

*Hayes Stewart Little & Company* as the Municipality's appointed external auditors, have audited the Consolidated Financial Statements. The Auditor's report is addressed to the Mayor and members of Council and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the Consolidated Financial Statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian generally accepted accounting principles.

---

Ruth Malli, CGA  
Chief Administrative Officer

# INDEX TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2011

<u>Auditors' Report</u>	4
<u>Consolidated Financial Statements</u>	
Consolidated Statement of Financial Position	5
Consolidated Statement of Operations	6
Consolidated Statement of Cash Flows	7
Consolidated Statement of Changes in Net Financial Assets	8
Notes to the Consolidated Financial Statements	9-24
<u>Schedules</u>	
I Long term debt	25
II Tax revenues	26
III Schedule of fees and charges	27
IV Continuity schedule of reserves and appropriated equity	28
V Federal Gas Tax – schedule of receipts and disbursements	29
VI Statement of reserve fund activities	30
VII Schedule of Restricted Reserves, Reserves and Equity by fund	31
VIII Statement of Operations by Segment – 2011	32
IX Statement of Operations by Segment – 2010	33
X Consolidated Statement of Tangible Capital Assets – 2011	34
XI Consolidated Statement of Tangible Capital Assets – 2010	35

**AUDITORS' REPORT**

---

**DUNCAN**  
823 Canada Ave.  
Duncan, BC V9L 1V2  
Tel: 250.746.4406 | Fax: 250.746.1950

**NANAIMO**  
1-256 Wallace St.  
Nanaimo, BC V9R 5B3  
Tel: 250.754.8239 | Fax: 250.754.1903

**VICTORIA**  
1000-747 Fort St.  
Victoria, BC V8W 3E9  
Tel: 250.383.8994 | Fax: 250.383.8904

**TOWN OF LADYSMITH**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2011**

	<b>2011</b>	<b>2010</b> <b>Restated</b> <b>(Note 17)</b>
<b>Financial Assets</b>		
Cash and short term deposits (Note 3)	\$9,934,536	\$10,129,101
Accounts receivable (Note 4)	<u>2,437,582</u>	<u>4,753,896</u>
	<u>12,372,118</u>	<u>14,882,997</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 5)	1,473,578	2,317,293
Post-employment benefits (Note 6)	253,000	172,300
Deferred revenue	687,880	1,386,463
Restricted reserves (Note 7 & 9)	2,113,537	2,242,345
Refundable deposits and other	434,439	348,902
Long term debt (Note 10 and Schedule I)	<u>3,006,628</u>	<u>3,211,321</u>
	<u>7,969,062</u>	<u>9,678,624</u>
<b>Net Financial Assets</b>	<u>4,403,056</u>	<u>5,204,373</u>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Schedule X and XI)	77,042,302	73,065,703
Prepays	38,234	46,514
Inventory	<u>91,496</u>	<u>109,409</u>
	<u>77,172,033</u>	<u>73,221,626</u>
<b>Accumulated Surplus (Note 15)</b>	<u><u>\$81,575,089</u></u>	<u><u>\$78,425,999</u></u>
<b>Commitments and Contingencies (Note 11)</b>		

---

Director of Financial Services

**TOWN OF LADYSMITH**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

	Actual 2011	(Unaudited) Budget 2011 (Note 16)	Actual 2010 Restated (Note 17)
<b>Revenue</b>			
Taxes – (Schedule II)	\$7,375,542	\$7,375,630	\$6,707,305
Fees and charges			
General (Schedule III)	1,710,332	1,756,516	1,802,295
Sewer (Schedule III)	635,101	615,300	618,303
Water (Schedule III)	646,117	674,100	693,097
Return on investments	96,744	30,000	87,108
Penalty and interest on tax	138,761	115,000	118,086
Grants	2,818,839	3,686,732	4,694,675
Donations, contributions and contributed property	274,434	392,059	1,998,330
Gain on disposal of tangible capital assets	23,547	338,707	1,866,634
Development fees	1,031,127	348,075	1,183,074
Local area improvements	8,922	8,922	8,922
	<u>14,759,466</u>	<u>15,341,041</u>	<u>19,777,829</u>
<b>Expenditures</b>			
General government services	1,945,291	2,036,202	1,850,609
Library	266,368	266,368	251,924
Protective services	1,402,639	1,492,683	1,321,508
Transportation services	1,403,003	1,186,455	1,372,147
Environmental health services	449,013	439,110	401,031
Public health	24,368	37,795	38,517
Development services	526,120	714,740	447,718
Recreation and cultural services	1,993,683	2,002,993	1,933,467
Parks operation services	601,204	657,538	552,921
Sewer	462,986	651,222	404,287
Water	457,257	490,018	474,987
Reallocation of internal equipment usage	(386,078)	-	(388,777)
Amortization	2,291,656	-	1,996,242
Interest, net of actuarial adjustment (Note 10)	172,866	227,958	170,760
	<u>11,610,376</u>	<u>10,203,082</u>	<u>10,827,341</u>
<b>Annual Surplus</b>	<u>3,149,090</u>	<u>5,137,959</u>	<u>8,950,488</u>
Accumulated Surplus, beginning of year as previously stated	78,338,499	68,475,511	69,197,193
Prior period adjustment (Note 17)	87,500	-	278,318
Accumulated Surplus - beginning of year	<u>78,425,999</u>	<u>68,475,511</u>	<u>69,475,511</u>
Accumulated Surplus - end of year	<u><u>\$81,575,089</u></u>	<u><u>\$74,613,470</u></u>	<u><u>\$78,425,999</u></u>

**TOWN OF LADYSMITH**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

	<b>2011</b>	<b>2010 Restated (Note 17)</b>
Operations		
Net operating revenue	\$3,149,090	\$8,950,488
Less non-cash items:		
Amortization	2,291,656	1,996,242
Gain on disposal of tangible capital assets	(23,547)	(1,866,634)
Contribution to land	(237,447)	(75,400)
Changes in non-cash items:		
Accounts receivable	2,316,314	(1,774,173)
Accounts payable, accrued liabilities and post-employment benefits	(763,016)	803,428
Inventory and prepaid expenses	26,192	(30,634)
Deferred revenues	(698,584)	(1,265,941)
Restricted reserves	(128,808)	(662,444)
Refundable deposits and other	85,537	(20,198)
	<u>6,017,387</u>	<u>6,054,734</u>
Net increase in cash from operations		
Capital Transactions		
Proceeds on sale of tangible capital assets	27,000	1,990,034
Cash used to acquire tangible capital assets	(6,034,260)	(11,652,404)
	<u>(6,007,260)</u>	<u>(9,662,370)</u>
Financing		
Proceeds from capital lease	18,784	-
Repayment of long-term debt	(223,476)	(268,104)
	<u>(204,692)</u>	<u>(268,104)</u>
Net decrease in cash from financing		
Decrease in cash and short term deposits	(194,565)	(3,875,740)
Cash and short term deposits - beginning of year	10,129,101	14,004,841
Cash and short term deposits - end of year	<u>\$9,934,536</u>	<u>\$10,129,101</u>

**TOWN OF LADYSMITH**

**CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**

**FOR THE YEAR ENDED DECEMBER 31, 2011**

	<b>2011</b>	<b>2010 Restated (Note 17)</b>
Annual Surplus	\$3,149,090	\$8,950,488
Acquisition of tangible capital assets	(6,271,707)	(11,727,804)
Amortization of tangible capital assets	2,291,656	1,996,242
Gain on sale of tangible capital assets	(23,548)	(1,866,634)
Proceeds from sale of tangible capital assets	27,000	1,990,034
Decrease (increase) in inventories	17,913	(4,159)
Decrease (increase) in prepaids	<u>8,279</u>	<u>(26,475)</u>
 Change in Net Financial Assets	 <u>(801,317)</u>	 <u>(688,307)</u>
 Net Financial Assets, beginning of year	 <u>5,204,373</u>	 <u>5,892,680</u>
 Net Financial Assets, end of year	 <u><u>\$4,403,056</u></u>	 <u><u>\$5,204,373</u></u>

**TOWN OF LADYSMITH**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**1. General**

The Town of Ladysmith was incorporated under the provisions of the British Columbia Municipal Act. Its principal activities are the provision of local government services in the Town, as governed by the Community Charter and the Local Government Act.

The notes to the consolidated financial statements are an integral part of these financial statements. They provide detailed information and explain the significant accounting and reporting policies and principles that form the basis of these statements. They also provide relevant supplementary information and explanations which cannot be expressed in the consolidated financial statements.

**2. Significant Accounting Policies**

**(a) Basis of Presentation**

It is the Town's policy to follow Canadian public sector accounting standards for local governments and to apply such principles consistently. The financial resources and operations of the Town have been consolidated for financial statement purposes and include the accounts of all of the funds of the Town.

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of an obligation to pay.

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures and changes in fund balances and financial position of the Town. These consolidated financial statements consolidate the following operations:

*General Revenue Fund*  
*Water Revenue Fund*  
*Sewer Revenue Fund*  
*Reserve Fund*  
*General Capital Fund*  
*Water Capital Fund*  
*Sewer Capital Fund*

# TOWN OF LADYSMITH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2011

### 2. Significant Accounting Policies (continued)

#### (b) Reporting Entity

The consolidated financial statements include the assets, liabilities, revenue and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the Town. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the Town. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Town. Inter-fund and inter-company balances and transactions have been eliminated. The controlled organizations include DL 2016 Holdings Corporation, a wholly owned subsidiary of the Town.

#### (c) Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization and are classified according to their functional use. Cost includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by a relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available. The Town does not capitalize interest charges as part of the cost of its tangible capital assets.

Tangible capital assets are amortized over their estimated useful life, with a half-year's provision in the year of acquisition, on the straight-line method at the following annual rates:

#### General Tangible Capital Assets

Land	Indefinite
Land Improvements	15 to 75 years
Buildings	25 to 40 years
Equipment, Furniture and Vehicles	5 to 60 years

#### Engineering Structures

Roads and Sidewalks	20 to 75 years
Storm and Sewer	25 to 75 years
Water	20 to 80 years

Construction in progress contains capital projects underway but not yet complete or put into use. Once put into use, the asset will be amortized based on the above annual rates for the applicable category of work performed.

**TOWN OF LADYSMITH**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**2. Significant Accounting Policies (continued)**

Certain assets have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts that are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands and other natural resources are not recognized as tangible capital assets.

**(d) Cash and Cash Equivalents**

Cash and cash equivalents include cash and short-term investments with maturities of three months or less from the date of acquisition.

**(e) Investments**

Short-term investments are accounted for at the lower of cost and market.

**(f) Restricted Reserves and Deferred Revenues**

Receipts which are restricted by legislation of senior governments or by agreement with external parties are deferred and reported as restricted reserves. When qualifying expenditures are incurred, restricted reserves are brought into revenue at equal amounts. These revenues are comprised of the amounts shown in note 7.

Revenues received in advance of expenditures which will be incurred in a later period are deferred until they are earned by being matched against those expenses.

**(g) Subdivision Infrastructure**

Subdivision streets, lighting, sidewalks, drainage, and other infrastructure are required to be provided by subdivision developers. Upon completion they are turned over to the Town. The Town is not involved in the construction and does not budget for or recognize either the contribution from the developer or the capital expenditure in its annual bylaw. In compliance with PSAB 3150, the contribution and asset purchase will be recorded and the assets will be amortized once they are put into use.

**(h) Local Improvements**

The Town records capital expenditures for capital assets funded by local improvement agreements as they are incurred. Revenues are recognized over the term of the local improvement agreements as they are collected.

## TOWN OF LADYSMITH

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2011

#### 2. Significant Accounting Policies (continued)

##### (i) Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditure during the reporting period. Significant areas requiring the use of management estimates relate to the collectability of accounts receivable, deferred charges, accrued liability, post employment benefits, provisions for contingencies and amortization rates, useful lives and salvage values for determining capital asset values. Actual results could differ from those estimates. Adjustments, if any, will be reflected in operations in the period of settlement.

##### (j) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to the ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Rental payments under operating leases are expensed as incurred.

##### (k) Revenue Recognition

Taxation revenues are recognized at the time of issuing the property tax notices for the fiscal year. Fees and charges revenue are recognized when the services are rendered. Return on investment income is accrued as earned. Other revenues are recognized when earned in accordance with the terms of the agreement and the amounts are measurable.

Government transfers, grants and donations are recognized in the financial statements in the period which the events giving rise to the transfer occur, eligibility criteria are met, and reasonable estimates of the amount can be made.

Deferred revenue represents user charges and other fees which have been collected, for which the related services have yet to be provided. These amounts will be recognized as revenue in the fiscal year the services are provided.

##### (l) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

##### (m) Inventory

Inventory is valued at the lower of cost and net realizable value, determined on an average cost basis.

**TOWN OF LADYSMITH**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**3. Cash and Short Term Deposits**

Cash and short term deposits were comprised as follows:

	<u><b>2011</b></u>	<u><b>2010</b></u>
Cash	\$ 8,590,621	\$ 8,798,940
Short term deposits	1,343,915	1,330,161
	<hr/>	<hr/>
	\$ 9,934,536	\$ 10,129,101

Short term deposits consist of short term investments in the Municipal Finance Authority of B.C. money market fund. The market value is equal to the carrying value.

Included in cash and short term deposits are the following restricted amounts that can only be expended in accordance with the terms of the restricted reserves.

	<u><b>2011</b></u>	<u><b>2010</b></u>
Restricted Reserves	\$ 2,113,537	\$ 2,242,345
Less: DCC's Receivable	-	(7,014)
	<hr/>	<hr/>
Total Restricted Cash	<u>\$ 2,113,537</u>	<u>\$ 2,235,331</u>

**4. Accounts Receivable**

	<u><b>2011</b></u>	<u><b>2010</b></u> Restated
Property taxes	\$ 976,962	\$ 1,163,594
Other government	615,633	2,299,548
User fees and other	805,022	1,245,299
Development cost charges	-	7,014
Developer receivables	29,071	29,071
Employee receivables	10,894	9,370
	<hr/>	<hr/>
	<u>\$ 2,437,582</u>	<u>\$ 4,753,896</u>

Development cost charges (DCC's) are collected on the approval of subdivision or the issuance of a building permit. These funds assist the Town in constructing capital improvements directly or indirectly related to development. Development cost charges represent funds due from developers within two years and are secured by irrevocable standby letters of credit. No interest is charged on these outstanding installments.

**TOWN OF LADYSMITH**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2011**

**5. Accounts Payable and Accrued Liabilities**

	<u><b>2011</b></u>	<u><b>2010</b></u>
General	\$ 1,047,940	\$1,737,131
Other Governments	94,541	31,315
Salaries and wages	106,736	124,920
Contractor holdbacks	190,984	390,550
Accrued Interest	33,377	33,377
	<u>\$ 1,473,578</u>	<u>\$ 2,317,293</u>

**6. Post-Employment Benefits**

The Town provides compensated absences to its employees to a maximum of 120 days. The Town also allows employees to defer unused vacation without any maximum. Any deferred vacation time remaining at retirement or termination is paid out at that time. The amount recorded for these benefits is based on an actuarial evaluation done by an independent firm using a projected benefit actuarial valuation method pro-rated on services. The last actuarial valuation was calculated at October 31, 2011 and has been extrapolated to December 31, 2011. The total expenditure recorded in the financial statements in respect of obligations under the plan amounts to \$80,700. (2010 - \$14,200).

The accrued post-employment benefits are as follows:

	<u><b>2011</b></u>	<u><b>2010</b></u>
Balance, Beginning of Year	\$ 172,300	\$ 158,100
Current service costs	26,600	25,400
Benefits paid	(8,700)	(19,500)
Actuarial loss	62,800	8,300
	<u>\$ 253,000</u>	<u>\$ 172,300</u>

The significant actuarial assumptions adopted in measuring the Town's post-employment benefits are as follows:

<b>Significant Actuarial Assumptions:</b>	<u><b>2011</b></u>	<u><b>2010</b></u>
Discount Rate	3.40%	4.50%
Expected Inflation Rate and Wage & Salary Increases	2.50%	2.50%

## TOWN OF LADYSMITH

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**FOR THE YEAR ENDED DECEMBER 31, 2011**

#### 7. Restricted Reserves

Restricted reserves include Development Cost Charges (DCC's) which are charged to developers and utilized for infrastructure development. There were two new reserves added in 2011: (1) LRCA – Capital; and (2) B&G Capital. The reserves are for the replacement of specific building components located at 630 2<sup>nd</sup> Avenue and 220 High Street.

	Balance Dec. 31, 2010	Interest Earned	Contributions	Expenditures	Balance Dec. 31, 2011
DCC - Water	\$ 552,094	\$ 7,349	\$ 71,834	\$ (500,000)	\$ 131,277
DCC - Parks	194,467	3,022	51,338	(91,208)	157,619
DCC - Roads	544,085	7,441	91,763	(108,075)	535,214
DCC - Sewer	38,288	575	26,391	-	65,254
DCC - Storm	299,427	3,833	10,799	-	314,059
Parking	60,457	759	-	(4,000)	57,216
Gas Tax	541,269	7,746	252,715	(331,844)	469,886
Green Streets	1,358	18	-	-	1,376
Amphitheatre	10,900	140	800	-	11,840
Trolley	-	14	9,450	(9,464)	-
LRCA - Capital	-	-	363,000	-	363,000
B&G- Capital	-	44	6,752	-	6,796
<b>TOTAL</b>	<b>\$ 2,242,345</b>	<b>\$ 30,941</b>	<b>\$ 884,842</b>	<b>\$ (1,044,591)</b>	<b>\$ 2,113,537</b>

#### 8. Financial Instruments

The Town as part of its operations carries a number of financial instruments. It is management's opinion the Town is not exposed to significant interest, currency or credit risk arising from these financial instruments, except as otherwise disclosed. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

#### 9. Federal Gas Tax Funds

Gas Tax funding is provided by the Government of Canada. The use of the funding is established by a funding agreement between the Town and the Union of British Columbia Municipalities. Gas Tax funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements. The attached Schedule V – Schedule of Receipts and Disbursements of Federal Gas Tax outlines the receipts and disbursements for these funds. The funds are recorded on our financial statements as a restricted reserve as outlined in Note 7.

## TOWN OF LADYSMITH

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED DECEMBER 31, 2011

#### 10. Long Term Debt

- a) The long term debt issued and outstanding as at December 31, 2011 was \$3,006,628 (\$3,211,321 as at December 31, 2010). The following principal amounts are payable over the next five years.

	2012	2013	2014	2015	2016 and beyond
Sewer - Principal	\$7,433	\$7,768	\$8,117	\$8,483	\$ -
General – Principal	152,023	149,672	149,910	147,983	2,375,238
	<u>\$159,456</u>	<u>\$157,440</u>	<u>\$158,028</u>	<u>\$156,466</u>	<u>\$2,375,238</u>

Debt interest, less actuarial adjustments in the consolidated statement of financial activities, is determined as follows:

	Interest	Actuarial Adjustment	2011 Net	2010 Net
Sewer - Interest	\$2,945	\$2,456	\$489	\$795
General - Interest	221,369	48,992	172,377	169,965
	<u>\$224,314</u>	<u>\$51,448</u>	<u>\$172,866</u>	<u>\$170,760</u>

- b) Capital Leases – The town has entered into capital leases for the following purchases.

- 1) A five year capital lease agreement with the Municipal Finance Authority of British Columbia which commenced on September 28, 2010, for the purchase of a fire truck. Under the terms of the agreement the Town has prepaid \$97,000. The remaining obligation will be repaid with monthly lease payments in the amount of \$773 including interest at 1.75% per annum. The balance of the capital lease at December 31, 2011, which is included in long-term debt, is \$73,226. Lease to expire September 2015.
- 2) A five year capital lease agreement with the Municipal Finance Authority of British Columbia which commenced on June 2007 for the purchase of a Fire Command Response Unit crew cab truck. The remaining obligation will be repaid with monthly lease payments in the amount of \$1,175 including interest at 5.0% per annum. The balance of the capital lease at December 31, 2011, which is included in long-term debt, is \$2,589. Lease to expire May 2012.
- 3) A five year capital lease agreement with the Municipal Finance Authority of British Columbia which commenced on August 2011 for the purchase of a Photocopier. The remaining obligation will be repaid with monthly lease payments in the amount of \$329 including interest of at 2.0% per annum. The balance of the capital lease at December 31, 2011, which is included in long-term debt, is \$17,570. Lease to expire July 2016.

## TOWN OF LADYSMITH

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED DECEMBER 31, 2011

#### 11. Commitments and Contingencies

##### (a) Contingent Liabilities

- i) The Town, as a member of the Cowichan Valley Regional District, is jointly and severally liable for operational deficits or long term debt related to functions in which it participates.
- ii) The loan agreements with the Municipal Finance Authority provide that if the Authority does not have sufficient funds to meet payments on its obligations it shall make payments from the Debt Reserve Fund which in turn is established by a similar Debt Reserve Fund in the Town and all other borrowing participants. If the Debt Reserve Fund is deficient the Authority's obligations become a liability of the regional district and may become a liability of the participating municipalities.
- iii) Various claims have been made against the Town as at December 31, 2011 for incidents which arose in the ordinary course of operations. In the opinion of management and legal counsel, the outcomes of the lawsuits, now pending, are not determinable. As the outcomes are not determinable at this time, no amount has been accrued in the financial statements. Should any loss result from the resolution of these claims, such loss will be charged to operations in the year of resolution.

##### (b) Pension Liability

The municipality and its employees contribute to the Municipal Pension Plan (the plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 173,000 active members and approximately 63,000 retired members. Active members include approximately 35,000 contributors from local governments.

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The most recent valuation as at December 31, 2009 indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. The actuary does not attribute portions of the surplus to individual employers. The Town of Ladysmith paid \$319,308 (2010 - \$284,814) for employer contributions to the plan in fiscal 2011.

# TOWN OF LADYSMITH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2011

### 11. Commitments and Contingencies (Continued)

#### (c) Reciprocal Insurance Exchange Agreement

The Town is a subscribed member of the Municipal Insurance Association of British Columbia (The "Exchange") as provided by Section 3.02 of the Insurance Act of the Province of British Columbia. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact upon any subscriber. Under the Reciprocal Insurance Exchange Agreement the Town is assessed a premium and specific deductible for its claims based on population. The obligation of the Town with respect to the Exchange and/or contracts and obligations entered into by the Exchange on behalf of its subscribers in connection with the Exchange are in every case several, and not joint and several. The Town irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other subscribers against liability losses and costs which the other subscriber may suffer.

#### (d) Debt Reserve Fund

The Municipal Finance Authority of British Columbia provides capital financing for regional districts and their member municipalities. The Authority is required to establish a Debt Reserve Fund. Each regional district through its member municipalities who share in the proceeds of a debt issue is required to pay into the Debt Reserve Fund certain amounts set out in the debt agreements. The Authority pays into the Debt Reserve Fund these monies from which interest earned thereon less administrative expenses becomes an obligation to the regional districts. It must then use this fund, if at any time there are insufficient funds, to meet payments on its obligations. When this occurs the regional districts may be called upon to restore the fund.

Upon maturity of a debt issue the unused portion of the Debt Reserve Fund established for that issue will be discharged to the Town. The proceeds from these discharges will be credited to income in the year they are received. As at December 31, 2011 the total of the Debt Reserve Fund was comprised of:

	Demand Note	Cash	Reserve
General	\$ 134,456	\$ 57,742	\$ 192,198
Sewer	4,270	1,568	5,838
Total MFA Reserve Fund	<u>\$ 138,726</u>	<u>\$ 59,310</u>	<u>\$ 198,036</u>

## TOWN OF LADYSMITH

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2011

#### 12. Significant Taxpayers

The Town is reliant upon 10 taxpayers for approximately 23.2% (2010 – 23%) of the total property tax revenue which includes Western Forest Products at approximately 15.1% (2010 – 15.9%) of the total property tax revenue.

#### 13. Funds Held in Trust

These funds account for assets which must be administered as directed by agreement or statute for certain beneficiaries; in particular, these funds are for the Cemetery Trust Fund. In accordance with PSAB recommendations on financial statement presentation, trust funds are not included in the Town's Financial Statements. A summary of trust fund activities by the Town is as follows:

	2011	2010
<b>Assets</b>		
Cash and short term investment	<u>\$137,592</u>	<u>\$135,157</u>
<b>Equity</b>		
Opening balance	\$135,157	\$130,976
Interest	1,728	1,688
Transfer interest to fund cemetery costs	(1,728)	(1,688)
Contributions	<u>2435</u>	<u>4,181</u>
Balance, end of year	<u>\$137,592</u>	<u>\$135,157</u>

#### 14. Comparative Figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

**TOWN OF LADYSMITH**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2011**

**15. Accumulated Surplus**

The Town segregates its accumulated surplus in the following categories:

	<b>2011</b>	<b>2010</b> Restated (Note 17)
Unappropriated equity	\$ 2,039,472	\$ 2,633,662
Appropriated equity (Schedule IV)	4,840,476	5,268,008
	6,879,948	7,901,670
 <b>Capital Funds</b>		
Sewer capital fund	815	804
Water capital fund	543,382	537,808
	544,197	538,612
 <b>Reserve Funds</b>		
Reserve funds (Schedule IV and VI)	115,570	218,834
Equity in Tangible Capital Assets	74,035,374	69,766,882
Total Accumulated Surplus	\$81,575,089	\$78,425,999

**16. Annual Budget**

Fiscal plan amounts represent the Financial Plan Bylaw adopted by Council on May 9, 2011.

The Financial Plan anticipated the use of surpluses accumulated in previous years to balance against current year expenditures in excess of current year revenues. In addition, the Financial Plan anticipated capital expenditures rather than amortization expense.

The following shows how these amounts were combined:

Financial Plan Bylaw surplus for the year	\$ -
Add back:	
Principal debt repayment	278,573
Capital expenditures	8,828,732
Less:	
Proceeds from long term debt	(1,000,000)
Budgeted transfers from accumulated surplus	(2,403,720)
Capital expenditures expensed in accordance with tangible capital asset policy	(565,626)
Adjusted Annual Surplus	\$5,137,959

## TOWN OF LADYSMITH

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2011

#### 17. Prior Period Adjustments

The prior year's figures have been retroactively restated to correct the disposal of subdivided land. The gain on disposal of tangible capital assets includes the sale of four subdivided lots. Two of the subdivided lots were retained by the Town. The prior years land has been restated to include the cost of the two properties which total \$87,500.

##### 2010 Annual Surplus

Annual surplus, as previously stated	\$8,862,988
Change in gain on disposal of tangible capital assets	87,500
Annual surplus, restated	<u>\$8,950,488</u>

##### 2010 Tangible Capital Assets

Cost, balance as originally stated	\$72,978,203
Increase in cost of land	87,500
Cost, balance as restated	<u>\$73,065,703</u>

#### 18. DL 2016 Holdings Corporation ("DL 2016")

The Town of Ladysmith has an investment in DL 2016 Holdings Corporation, a wholly owned subsidiary company of the Town. As of December 31, 2011 there has been no activity with DL 2016 and therefore no investment has been recorded.

The Town of Ladysmith leases portions of its waterfront from the Province of British Columbia parts of which are sub-leased to DL 2016 for use as a marina.

DL 2016 has entered into operation and maintenance agreement and a license agreement with the Ladysmith Maritime Society (LMS) for the operation and management of the lease area.

Pursuant to these agreements DL 2016 could provide security for debt financing in order for LMS to implement capital improvements to the lease area.

## TOWN OF LADYSMITH

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED DECEMBER 31, 2011

#### 19. Segmented Information

The Town is a diversified municipal government institution that provides a wide range of services to its citizens such as roads, water, sewer and drainage infrastructure, fire protection, police protection (RCMP), cemetery, recreation centre, garbage collection and parkland. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

##### **General Government Services**

The Corporate Services Department supports the legislated activities of Council, and provides information to citizens with respect to Council/Committee processes, reporting procedures and decisions, and Town activities. Also included is the Finance Department, Information Technology and Human Resources. The City Manager is the liaison between Council and the Town departments and staff.

##### **Capital Funding**

Reflects the monies required to fund capital projects during a fiscal year. Included are transfers from development fees, grants, donations, investment income and proceeds from sale of real property.

##### **Protective Services**

Protection is comprised of fire protection, policing, bylaw enforcement and building inspection.

- Bylaw enforcement administers, monitors, and seeks compliance with the bylaws enacted by the Mayor and Council to regulate the conduct of affairs in the Town of Ladysmith.
- Fire protection is provided by the fire department, whose volunteer members receive compensation for each call-out in which they take part.
- Policing is provided under contract with the RCMP operating from a detachment building located in and owned by the Town of Ladysmith.
- The Town of Ladysmith's Development Services and Public Works Departments work together to regulate all construction within the Town. This is achieved through the use of the Town of Ladysmith's Building and Plumbing Bylaw, the British Columbia Building Code, the British Columbia Fire Code and other related bylaws and enactments with the Town of Ladysmith.

##### **Library Services**

A local library is funded by the Town through contributions to the Vancouver Island Regional Library which is responsible for library operations.

**TOWN OF LADYSMITH**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**19. Segmented Information (Continued)**

**Transportation, Environment and Public Health**

The Transportation (Public Works) Department is responsible for the infrastructure of the Town:

- Ensuring clean and safe water to the Town, supplied through underground pipes and reservoirs,
- Maintaining a separate system of underground pipes to collect sewer or waste water for proper treatment prior to discharging it,
- Providing and maintaining the Town's roads, sidewalks, street lights, signage and line markings, storm drainage and hydrants,
- Providing other key services including street cleaning and the operation of a local bus service.

Environmental Health (Public Works) is responsible for the garbage collection and compost and recycling programs operating in the Town of Ladysmith. Garbage and recycling collection is performed by a contractor.

Public Health (Public Works) Department provides cemetery services including the maintenance of the cemetery grounds.

Transportation (Public Works) operates the Ladysmith Trolley.

**Development**

The Development Services Department provides short-term and long-term land use planning services.

- Long-term Planning includes work with the community on reviewing the Town's Official Community Plan, developing new Neighbourhood Plans, the Trail Plan and the review of relevant bylaws.
- Short-term Planning includes the processing of development applications.

**TOWN OF LADYSMITH**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**19. Segmented Information (Continued)**

**Recreation and Culture**

The Parks, Recreation and Culture Department contribute to the quality of life and personal wellness of the community through the provision of a variety of special events, programs, services and facilities. The Frank Jameson Community Centre is the location where the majority of the programs are offered.

**Parks**

Parks includes and provides maintenance of beach area, trails, golf course, spray-park, ball parks, and any other civic grounds.

**Water**

Water includes all of the operating activities related to the treatment and distribution of water throughout the Town.

**Sewer**

Sewer includes all of the operating activities related to the collection and treatment of waste water (sewage) throughout the Town.

**TOWN OF LADYSMITH**  
**LONG TERM DEBT**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**  
**SCHEDULE I**

<b>Date of Issue Purpose</b>	<b>Issue #</b>	<b>Term</b>	<b>Original Amount</b>	<b>Balance Dec 31, 2010</b>	<b>Principal Payments &amp; Adjustments</b>	<b>Balance Dec 31, 2011</b>	<b>Interest (1)</b>	<b>Interest Rate</b>
<b><u>Sewer Capital Fund</u></b>								
2000Sewer Improvements	72	2000-2015	\$93,500	\$38,915	\$7,113	\$31,802	\$489	6.45%
<b><u>General Fund</u></b>								
2000First Avenue	73	2000-2015	\$1,438,000	\$598,498	\$ 109,400	\$489,098	\$ 53,535	6.35%
2005Fire Truck Lease	LS	2010-2015	311,189	81,119	7,893	73,226	1,478	4.02%
2006RCMP Building	97	2006-2031	2,750,000	2,469,594	77,249	2,392,345	116,934	4.66%
2006FJCC Fitness EQ	LS	2006-2011	35,929	2,437	2,437	-	10	4.75%
2006FJCC Fitness EQ	LS	2006-2011	54,949	3,727	3,727	-	15	4.75%
2006FJCC Photocopier	LS	2006-2011	15,405	1,234	1,234	-	6	5.00%
2007 Command Resp. Unit	LS	2007-2012	62,780	15,797	13,209	2,589	246	4.88%
2011 City Hall Photocopier	LS	2011-2016	19,113	-	1,543	17,570	153	2.00%
			<u>4,687,365</u>	<u>3,172,406</u>	<u>216,692</u>	<u>2,974,827</u>	<u>172,377</u>	
			<u>\$4,780,865</u>	<u>\$ 3,211,321</u>	<u>\$ 223,805</u>	<u>\$ 3,006,628</u>	<u>\$ 172,866</u>	

(1) Interest, net of actuarial and provincial sales tax adjustment.

**TOWN OF LADYSMITH**

**TAX REVENUES**

**FOR THE YEAR ENDED DECEMBER 31, 2011**

**SCHEDULE II**

	<b>Actual 2011</b>	<b>Budget 2011</b>	<b>Actual 2010</b>
<b>General Taxes</b>			
General municipal purposes	\$ 6,347,921	\$ 6,351,940	\$ 6,002,485
Grants in lieu and 1% utility tax	145,878	143,466	139,667
Water and sewer parcel tax	880,986	880,224	563,778
	<u>\$ 7,374,785</u>	<u>\$ 7,375,630</u>	<u>\$ 6,705,930</u>
 <b>Collections for other governments:</b>			
School district	\$ 2,941,690	\$ 2,939,319	\$ 2,923,808
Regional hospital district	371,171	370,862	287,856
Regional district	681,593	681,104	618,738
BCAA and MFA	86,640	86,570	87,285
	<u>\$ 4,081,094</u>	<u>\$ 4,077,855</u>	<u>\$ 3,917,687</u>
 <b>Less:</b>			
<b>Transmission of taxes levied for other governments:</b>			
School district	\$ 2,941,688	\$ 2,939,319	\$ 2,923,808
Regional hospital district	370,862	370,862	287,465
Regional district	681,104	681,104	617,773
BCAA and MFA	86,683	86,570	87,266
	<u>\$ 4,080,337</u>	<u>\$ 4,077,855</u>	<u>\$ 3,916,312</u>
 <b>Net Taxation</b>	<u><u>\$ 7,375,542</u></u>	<u><u>\$ 7,375,630</u></u>	<u><u>\$ 6,707,305</u></u>

**TOWN OF LADYSMITH**  
**SCHEDULE OF FEES AND CHARGES**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**SCHEDULE III**

	Actual 2011	Budget 2011	Actual 2010 Restated
<b>General Revenue Fund</b>			
Fines and Licence Revenue	\$ 79,547	\$ 75,300	\$ 72,970
Garbage Collection	494,986	475,000	450,663
General Revenue Fund	26,459	3,000	7,761
Cemetery Revenue	24,525	50,000	35,790
Miscellaneous Revenue	150,497	98,500	210,284
Parks, Recreation & Culture Revenue	574,870	678,850	657,084
Permits and Fees (Subdivisions)	110,364	126,000	124,153
Protective Services Revenue	249,084	249,866	243,590
	<u>\$ 1,710,332</u>	<u>\$ 1,756,516</u>	<u>\$ 1,802,295</u>
<b>Sewer Utility Fund</b>			
User Rates	<u>\$ 635,101</u>	<u>\$ 615,300</u>	<u>\$ 618,303</u>
<b>Waterworks Utility Fund</b>			
User Rates	<u>\$ 646,117</u>	<u>\$ 674,100</u>	<u>\$ 693,097</u>
<b>Total Fees and Charges</b>	<u><u>\$ 2,991,550</u></u>	<u><u>\$ 3,045,916</u></u>	<u><u>\$ 3,113,695</u></u>

**TOWN OF LADYSMITH**  
**CONTINUITY SCHEDULE OF RESERVES AND APPROPRIATED EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**SCHEDULE IV**

	Balance Dec. 31, 2010	Interest Allocated	Contributions	Funding	Balance Dec. 31, 2011
<b>RESERVES</b>					
Tax Sale	\$ 24,249	\$ 306	\$ -	\$ -	\$ 24,555
Perpetual Safety Fund	12,067	152	-	-	12,219
Sale Real Property	70,048	770	21,000	91,818	-
Amenity Funds	112,469	1,327	25,000	60,000	78,796
<b>TOTAL RESERVES</b>	<b>218,833</b>	<b>2,555</b>	<b>46,000</b>	<b>151,818</b>	<b>115,570</b>
<b>APPROPRIATED EQUITY - OPERATIONS</b>					
General Operating Fund					
Future Projects	845,039	-	153,942	737,562	261,419
Equipment	575,306	-	208,050	170,810	612,546
Land & Building	112,019	-	40,264	5,400	146,883
Tax Contingency	261,266	-	-	50,000	211,266
Total General Fund Appropriated Equity	1,793,630	-	402,256	963,772	1,232,114
Water Operating Fund					
Capital Expenditures	168,110	-	124,299	31,244	261,165
MFA Surplus Refunds	575,495	-	-	51,420	524,075
Total Water Operating Fund	743,605	-	124,299	82,664	785,240
Sewer Operating Fund					
Capital Expenditures	2,124,420	-	93,672	1,323	2,216,769
MFA Surplus Refunds	606,353	-	-	-	606,353
Total Sewer Operating Fund	2,730,773	-	93,672	1,323	2,823,122
<b>TOTAL APPROPRIATED EQUITY</b>	<b>\$ 5,268,008</b>	<b>\$ -</b>	<b>\$ 620,227</b>	<b>\$ 1,047,759</b>	<b>\$ 4,840,476</b>
<b>TOTAL RESERVES AND APPROPRIATED EQUITY</b>	<b>\$ 5,486,841</b>	<b>\$ 2,555</b>	<b>\$ 666,227</b>	<b>\$ 1,199,578</b>	<b>\$ 4,956,046</b>

**TOWN OF LADYSMITH**  
**FEDERAL GAS TAX – SCHEDULE OF RECEIPTS AND DISBURSEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**SCHEDULE V**

	<b>2011</b>	<b>2010</b>
Opening balance of unspent funds	\$ 541,269	\$ 332,967
Add: Amount received during the year	252,715	252,738
Interest earned	7,746	5,638
Less: Amount spent on projects	<u>(331,844)</u>	<u>(50,074)</u>
Closing balance of unspent funds	<u>\$ 469,886</u>	<u>\$ 541,269</u>

**TOWN OF LADYSMITH**  
**STATEMENT OF RESERVE FUND ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**  
**SCHEDULE VI**

	<b>2011</b>	<b>2010</b>
<b>Revenue</b>		
Investment income	\$ 2,554	\$ 18,311
Sale of real property	21,000	-
Contributions from developers	<u>25,000</u>	<u>63,000</u>
<b>Net Revenues</b>	48,554	81,311
Transfers to operating fund	<u>(151,818)</u>	<u>(327,827)</u>
<b>Changes in Reserve Fund Balances</b>	(103,264)	(246,516)
<b>Funding Surplus, Beginning of Year</b>	<u>218,834</u>	<u>465,350</u>
<b>Funding Surplus, End of Year</b>	<u><u>\$ 115,570</u></u>	<u><u>\$ 218,834</u></u>

**TOWN OF LADYSMITH**

**SCHEDULE OF RESTRICTED RESERVES, RESERVES AND EQUITY BY FUND**

**AS AT DECEMBER 31, 2011**

**SCHEDULE VII**

	<b>Restricted Reserves</b>	<b>Allocated Reserves</b>	<b>Appropriated Equity</b>	<b>Unappropriated Equity</b>	<b>Capital Funds Equity</b>	<b>Total</b>
General operating fund	\$ -	\$ -	\$ 1,232,114	\$ (125,128)	\$ -	\$ 1,377,391
Water operating fund	-	-	785,240	1,073,156	-	1,858,396
Sewer operating fund	-	-	2,823,122	1,091,444	-	3,914,566
Reserve fund	2,113,537	115,570	-	-	-	1,958,702
Water capital fund	-	-	-	-	543,382	543,382
Sewer capital fund	-	-	-	-	815	815
<b>Total</b>	<b>\$2,113,537</b>	<b>\$115,570</b>	<b>\$4,840,476</b>	<b>\$2,039,472</b>	<b>\$ 544,197</b>	<b>\$9,653,252</b>

Schedule VIII

TOWN OF LADYSMITH  
Statement of Operations by Segment  
AS AT DEC 31, 2011

	General Government		Transport Environment & Public Health					Recreation & Culture		Parks		Water		Sewer		Total	
	2011	2011	Library	2011	Development	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011
<b>REVENUE</b>																	
Tax	\$ 1,373,243	\$ 253,159	\$ 1,099,833	\$ 266,368	\$ 792,612	\$ 624,643	\$ 1,280,136	\$ 756,355	\$ 365,567	\$ 563,627	\$ 7,375,542						
Grants	638,953	1,952,587	69,439	-	9,522	16,303	132,035	-	-	-	2,818,839						
Fees & Charges	56,610	-	355,771	-	564,148	64,435	664,845	4,523	646,117	635,101	2,991,550						
Investment income	91,159	5,585	-	-	-	-	-	-	-	-	96,744						
DCC revenue & other funding of capital works	-	1,198,165	-	-	-	-	-	-	-	-	-						
Other revenue	143,402	-	-	-	119,324	6,978	-	-	-	-	1,198,165						
<b>Total revenue</b>	<b>2,303,367</b>	<b>3,409,496</b>	<b>1,525,043</b>	<b>266,368</b>	<b>1,485,606</b>	<b>712,359</b>	<b>2,077,016</b>	<b>760,878</b>	<b>1,011,684</b>	<b>1,207,650</b>	<b>14,759,466</b>						
<b>EXPENSES</b>																	
Contracted Services	299,935	-	877,834	-	506,816	126,422	38,144	44,728	42,428	28,848	1,965,155						
Grants In Aid	87,950	-	-	-	-	-	-	-	-	-	87,950						
Insurance	77,114	-	25,204	-	5,385	-	24,319	-	4,813	11,907	148,741						
Interest	153	-	118,658	-	53,535	-	31	-	-	489	172,866						
Library	-	-	-	266,368	-	-	-	-	-	-	266,368						
Materials & Supplies	53,254	-	65,833	-	58,174	8,398	115,993	84,434	66,427	57,720	510,232						
Wages & Benefits	1,299,853	-	331,685	-	747,579	335,228	1,540,101	353,169	292,307	282,174	5,182,096						
Other	127,184	-	102,083	-	172,351	56,073	275,129	118,873	51,282	82,337	985,311						
Amortization	-	2,291,656	-	-	-	-	-	-	-	-	2,291,656						
<b>Total expenses</b>	<b>1,945,443</b>	<b>2,291,656</b>	<b>1,521,297</b>	<b>266,368</b>	<b>1,543,840</b>	<b>526,121</b>	<b>1,993,717</b>	<b>601,204</b>	<b>457,257</b>	<b>463,475</b>	<b>11,610,375</b>						
<b>Surplus (Deficit)</b>	<b>\$ 357,924</b>	<b>\$ 1,117,840</b>	<b>\$ 3,746</b>	<b>\$ -</b>	<b>\$(58,234)</b>	<b>\$ 186,238</b>	<b>\$ 83,299</b>	<b>\$ 159,674</b>	<b>\$ 554,427</b>	<b>\$ 744,175</b>	<b>\$ 3,149,091</b>						

**TOWN OF LADYSMITH**

Statement of Operations by Segment  
AS AT DECEMBER 31, 2010

**Schedule IX**  
Restated

	General Government		Capital		Protective		Library		Environment & Public Health		Development		Recreation & Culture		Parks		Water		Sewer		Total Actual		
	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	
<b>REVENUE</b>																							
Tax	\$ 1,560,027	\$ -	\$ 1,107,403	\$ 251,924	\$ 1,802,725	\$ 411,225	\$ 933,927	\$ -	\$ 324,326	\$ 315,748	\$ 6,707,305												
Grants	146,571	4,367,394	21,798	-	-	43,105	129,516	-	-	-	4,708,384												
Fees & Charges	49,267	-	353,853	-	488,453	242,075	668,647	-	693,097	618,303	3,113,695												
Investment income	87,107	-	-	-	-	-	-	-	-	-	-												
DCC revenue & other funding of capital works	-	4,958,928	-	-	-	-	-	-	-	-	-												
Other revenue	108,277	-	-	-	-	-	85,211	-	-	-	-												
<b>Total revenue</b>	<b>1,951,249</b>	<b>9,326,322</b>	<b>1,483,054</b>	<b>251,924</b>	<b>2,291,178</b>	<b>686,405</b>	<b>1,817,301</b>	<b>-</b>	<b>1,017,423</b>	<b>942,973</b>	<b>19,777,829</b>												
<b>EXPENSES</b>																							
Contract Services	196,229	-	751,189	-	419,247	74,024	14,252	37,784	84,215	9,476	1,586,416												
Grants In Aid	79,272	-	-	-	-	-	-	-	-	-	79,272												
Insurance	69,657	-	23,234	-	4,088	-	16,863	-	3,577	9,709	127,128												
Interest	-	-	113,401	-	58,246	-	(1,883)	-	-	795	170,759												
Library	-	-	-	251,924	-	-	-	-	-	-	-												
Wages & Benefits	1,336,692	-	320,117	-	753,844	277,953	1,503,665	314,171	250,189	240,656	4,997,287												
Other	168,707	-	226,968	-	266,420	70,496	424,505	200,392	118,177	142,648	1,618,313												
Amortization	-	1,996,242	-	-	-	-	-	-	-	-	1,996,242												
<b>Total expenses</b>	<b>1,850,557</b>	<b>1,996,242</b>	<b>1,434,909</b>	<b>251,924</b>	<b>1,501,845</b>	<b>422,473</b>	<b>1,957,602</b>	<b>552,347</b>	<b>456,158</b>	<b>403,284</b>	<b>10,827,341</b>												
<b>Surplus (Deficit)</b>	<b>\$ 100,692</b>	<b>\$ 7,330,080</b>	<b>\$ 48,145</b>	<b>\$ -</b>	<b>\$ 789,333</b>	<b>\$ 273,932</b>	<b>\$ (140,301)</b>	<b>\$ (552,347)</b>	<b>\$ 561,265</b>	<b>\$ 539,689</b>	<b>\$ 8,950,488</b>												

TOWN OF LADYSMITH  
CONSOLIDATED STATEMENT OF TANGIBLE CAPITAL ASSETS  
For the Year Ended December 31, 2011

Schedule X

COST	Land		Buildings	Vehicles Furniture & Equipment	Linear Infrastructure				Assets Under Construction	2011 Total
	Improvements	Land			Sanitary Sewer	Storm Sewer	Water	Construction		
Opening Balance	\$8,465,454	\$3,231,607	\$14,222,125	\$4,998,681	\$13,614,428	\$7,271,824	\$13,406,011	\$11,031,853	\$99,847,492	
Add: Additions	67,117	4,344,888	3,405,005	259,544	597,225	572,278	626,363	2,316,264	14,083,378	
Less: Disposals	0	4,909	0	60,500	0	0	0	0	7,812,124	
Less: Write-downs	0	0	0	0	0	0	0	0	0	
Closing Balance	8,552,571	7,571,586	17,627,130	5,197,725	14,211,653	7,844,102	14,032,374	5,535,993	106,053,337	
<b>ACCUMULATED AMORTIZATION</b>										
Opening Balance	1,662,402	2,651,939	2,796,321	10,693,198	4,202,518	1,556,922	3,218,488	26,781,788	2,291,656	
Add: Amortization	187,632	406,628	278,426	779,935	286,965	100,832	251,238	0	0	
Less: Write-downs	0	0	0	0	0	0	0	0	0	
Less: Acc. Amortization on Disposals	4,909	0	57,500	0	0	0	0	0	0	
Closing Balance	1,845,125	3,058,567	3,017,247	11,473,133	4,489,483	1,657,754	3,469,726	0	29,011,035	
Net Book Value, year ended December 31, 2011	\$8,552,571	\$5,726,461	\$14,568,563	\$2,180,478	\$9,722,170	\$6,186,348	\$10,562,648	\$5,535,993	\$77,042,302	

(1) Included in the tangible capital assets are leased assets with a total cost of \$393,530 - (2010 - \$480,698) and accumulated amortization of \$90,548 - (2010 - \$127,243).  
(2) Included in land additions is \$2,000 from tax sale.

TOWN OF LADYSMITH  
CONSOLIDATED STATEMENT OF TANGIBLE CAPITAL ASSETS  
For the Year Ended December 31, 2010

**Schedule XI**  
Restated  
(Note 17)

COST	Land		Linear Infrastructure				Assets Under Construction		2010 Total	
	Improvements	Buildings	Furniture & Equipment	Transportation	Sanitary Sewer	Storm Sewer	Water	Construction		
Opening Balance	\$ 8,481,566	\$ 3,062,995	\$ 12,743,342	\$ 4,996,789	\$ 23,472,981	\$ 9,751,008	\$ 7,126,302	\$ 13,131,372	\$ 5,598,271	\$ 88,364,626
Add: Additions	97,600	168,612	1,478,783	143,742	112,528	3,863,420	154,898	274,639	8,217,943	14,512,165
Less: Disposals	93,712	-	-	141,850	-	-	9,376	-	2,784,361	3,029,289
Less: Write-downs	-	-	-	-	-	-	-	-	-	-
Closing Balance	8,485,454	3,231,607	14,222,125	4,998,681	23,585,509	13,614,428	7,271,824	13,406,011	11,031,853	99,847,492

**ACCUMULATED AMORTIZATION**

Opening Balance	1,588,610	2,331,055	2,622,367	9,931,785	4,011,339	1,465,615	2,976,313	24,907,084
Add: Amortization	93,792	320,884	290,804	761,414	191,179	95,994	242,175	1,996,242
Less: Write-downs	-	-	-	-	-	-	-	-
Less: Acc. Amortization on Disposals	-	-	116,850	-	-	4,687	-	-
Closing Balance	1,682,402	2,651,939	2,796,321	10,693,199	4,202,518	1,556,922	3,218,488	26,781,789

**Net Book Value, year ended  
December 31, 2010**

\$ 8,485,454	\$ 1,569,205	\$ 11,570,186	\$ 2,202,360	\$ 12,892,310	\$ 9,411,910	\$ 5,714,902	\$ 10,187,523	\$ 11,031,853	\$ 73,065,703
--------------	--------------	---------------	--------------	---------------	--------------	--------------	---------------	---------------	---------------