

Date: Tuesday, March 5, 2024

To: Elizabeth Tracy, Chief Administrative Officer

From: Sheena Fraser, Corporate & Legislative Services Advisor

Subject: Recreation Service Transfer Agreements - Request for Extension

PURPOSE

The purpose of this report is to seek Council's approval to extend the three (3) agreements listed below related to the transfer of the recreation service between the Squamish-Lillooet Regional District (SLRD) and the Village of Pemberton (Village) from October 1, 2024, to December 31, 2025:

- Recreation Service Delivery Agreement (2018);
- Licence of Use Agreement for Gates Lake Park and Pemberton & District Community Centre Lands (PDCC) (2019); and
- Bylaw Enforcement Agreement for Meadows Fields (2022).

BACKGROUND

Establishment of a Local Service Area for Recreation:

Since 1997 the Pemberton and District Recreation Service ("Service") has been operated under the SLRD Pemberton/Area C Community Recreation Local Service Establishment Bylaw No. 646, 1997. The purpose of the bylaw is to provide community recreation services to the residents of both the Village and SLRD Electoral Area C. The Service is funded through property taxes collected from the residents of SLRD Electoral Area C and the Village and as per Bylaw 646, 1997, the SLRD requisitions for the Service.

Pemberton Valley Utility and Services Committee (PVUS) - SLRD Standing Committee:

Oversite of recreation services was originally assigned to the Pemberton Valley Recreation Commission¹ and later assigned to the Joint Operations Committee, now referred to as the Pemberton Valley Utilities and Services Committee (PVUS). PVUS is a standing committee of the SLRD that advises the Board on matters of policy and administration related to shared Electoral Area C and Village Services. The following are established shared Services:

- Pemberton & District Community Centre (and its assets as listed below under History of Recreation Services)
- Pemberton & District Museum & Archives
- Pemberton Cemetery

¹ Established through the Pemberton Valley Recreation Commission Establishment Bylaw No. 653, 1997, the Commission's role was to assist in planning of active parks, passive parks, playgrounds and opens spaces including trails, serve the community in the matter of recreation and program surveys, assist in coordinating existing programs offered by the community centre, recommend to the SLRD recreation activities and programs for the community, and other aspects related to recreation. The commission role morphed over time, and it ceased being active around 2006.

- Pemberton and District Library
- Pemberton and District Initiative Fund (PDIF)
- Pemberton Rescue Service
- Pemberton Search & Rescue (PSAR)
- Pemberton Television Rebroadcasting
- Pemberton Valley Parks and Trails
- Pemberton Transfer Station

Governance for the recreation and other shared services:

Governance for the shared or joint services listed above is comprised of two bodies: PVUS and the SLRD Board. The SLRD Board is responsible for approval of proposed plans for the Services (including the addition or removal of recreation assets) taking into consideration the recommendations of PVUS.

Composition and Role of PVUS:

Membership and voting members of the committee:	Area C Director (1 vote) Area C Alternate (1 vote) Village Mayor (1 vote) Village Council Member (1 vote)
Staff (non-voting members)	SLRD CAO Village CAO
Other Staff	SLRD and Village staff as required (ie: Finance, Recreation)
Role of PVUS:	<ul style="list-style-type: none"> • Convenes to discuss shared services between the SLRD Electoral Area C and the Village • Makes recommendations to the SLRD Board (exception being purchasing authority for the PDCC which has been delegated by the Board to PVUS). • *Reviews budgets related to joint services including recreation and makes recommendations to the SLRD Board.

*Since 2019, when recreation service personnel were transferred to the Village, Village staff prepare the budget and quarterly reports for presentation at PVUS as the committee holds decision making responsibilities respecting recreation and its assets.

Role of the SLRD Board:

All recreation assets are assets of the service. Decisions respecting the assets and the Service are made by the SLRD Board on the advice or recommendation of PVUS. The SLRD Board is responsible for the following:

- Approving the annual budget for the Service;
- Tax requisitioning the funding required for the annual budget from the property owners in the service area (Electoral Area C and Village); and
- Providing the tax-requisitioned funding to the Village of Pemberton pursuant to the existing service delivery agreement between the SLRD and the Village of Pemberton.

History of Recreation Services:

Over time, responsibility for the day-to-day management and administration of the Service has shifted between the organizations. Table 1 sets out the administrative/management history.

Table 1. Responsibility for recreation services from 1997 to present.

Years	Organization	Comments
1997-1998	SLRD	<ul style="list-style-type: none"> • SLRD facilitated the day-to-day administration and operation of recreation.
1998-2000	Village	<ul style="list-style-type: none"> • Reporting to the SLRD Recreation Commission, the Village was responsible for overseeing the day-to-day operations of recreation.
2000		<ul style="list-style-type: none"> • Village gave the SLRD notice of its intent to no longer oversee the service due to limited resources. • The service was transferred back to the SLRD.
		<ul style="list-style-type: none"> • The SLRD did not have capacity to oversee the service and established a service contract with the Resort Municipality of Whistler (RMOW).
2000 - 2006	RMOW	<ul style="list-style-type: none"> • Delivery of recreation programming in Pemberton facilitated by the RMOW on behalf of the SLRD and the Village.
2006		<ul style="list-style-type: none"> • RMOW gave notice to the SLRD of its intent to end the service agreement.
2007 - 2019	SLRD	<ul style="list-style-type: none"> • SLRD assumed management of recreation services.
2019	Village	<ul style="list-style-type: none"> • Village assumed management of the service through a service delivery agreement.

Recreation Service Delivery Transfer Discussions:

In 2007, following notification by the RMOW of its intent not to continue with the service delivery, Village Council considered whether it would be better if recreation was managed by the Village rather than the SLRD. The idea was supported by the Recreation Commission and subsequently the short-lived Recreation Advisory Committee². Discussions took place at a December 2007 council working session, but no action followed.

In 2011 the Village again explored the idea of taking over recreation administration. A report was presented at a Committee of the Whole meeting held on October 4, 2011, and staff were directed to refer the report to the Pemberton Valley Utilities and Services (PVUS) Committee. This initiative once again stalled.

Discussion resumed in 2016 following the formal transfer of the recreation site (now Den Dufy Park) to the Village and work began to initiate the process to formally request that the Service be transferred to the Village from the SLRD, resulting in agreement that management of the

² Following the demise of the Recreation Commission the SLRD established the Recreation Advisory Committee; however due to the committee feeling ineffective all members resigned and the committee was disbanded within several years of it having been created.

Pemberton and District Recreation Service would be transferred to the Village effective June 1, 2019.

Recreation Service Delivery Agreement and Licence of Use Agreement:

The Village and SLRD entered into a recreation service delivery agreement establishing that the Village is responsible for operating and managing the service on behalf of the SLRD for a period of five (5) years from October 2, 2018, until October 2, 2023. The agreement sets out the transition of SLRD personnel to the Village. In June 2019 the management of the service was formally transferred to the Village with transition of employee contracts from the SLRD to the Village.

The 2019 service transfer triggered the establishment of a five-year license of use agreement between the SLRD and the Village that applies to the Pemberton & District Community Centre (and water park/nature play scape), the Pemberton Youth/Seniors Centre (the REC), and Gates Lake Community Park. The agreement granted the Village the right to use the assets for public recreation and community use from June 1, 2019, to May 31, 2024.

Extension of Agreements:

In July 2022, both agreements noted above were extended to October 1, 2024, to accommodate the process to implement a new SLRD service establishment bylaw to address the change in collecting funds from the SLRD Electoral Area C taxpayer. This included the requirement to hold an alternative approval process.

The original agreements along with the extension agreements are attached as **Appendix A** and **B**.

SLRD Service Establishment Bylaw:

With the extension in place, in 2022 the SLRD started the process to create a new financial contribution service establishing bylaw, to establish a 'service area' just for Electoral Area C (as opposed to the Village and Electoral Area C which is set out under SLRD Bylaw No. 646, 1997).

The purpose of SLRD Pemberton and District Recreation Contribution Service Establishing Bylaw No. 1784-2022, is for SLRD Electoral Area C to provide a financial contribution to the Village for the operation and management of a recreation service on behalf of the Village and SLRD Electoral Area C on a long-term basis.

SLRD Bylaw No. 1784, 2022 was adopted by the SLRD Board in June 2023 following the required alternative approval process.

This change in the service area will require an updated financial contribution agreement which governs the allocation and distribution of tax collection. To provide time for the new agreement to be developed, approved, and implemented, the SLRD will continue to requisition for the service under SLRD Bylaw No. 646, 1997. The intent is that SLRD Bylaw No. 1784, 2022 will come into effect January 1, 2026.

Interim Governance Structure:

Despite the transition in 2019 and the extension of the agreements already in place, the governance structure for the Service remains the same as recreation is still a Service of the SLRD and all recreation assets are still those of the Service as outlined above. As such, administration and operations respecting the Service, including budget review and changes to service delivery, are discussed at PVUS. The recommendations from PVUS are forwarded to the SLRD Board for approval with only the Electoral Area C Director and the Village of Pemberton Director voting as per the regional district model.

For clarity Table 2 identifies the assets of the Service, and the owner of each asset is identified.

Table 2. Ownership of recreation assets

#	Asset	Owner
1	Pemberton and District Community Centre (PDCC) (building and furnishings) – 7390 Cottonwood Street, Pemberton	SLRD
2	Youth and Seniors Centre (building and furnishings) – 7390 Cottonwood Street, Pemberton	SLRD
3	Spray Park – 7390 Cottonwood Street, Pemberton	SLRD
4	Nature Play Park – 7390 Cottonwood Street, Pemberton	SLRD
5	Land upon which Assets #1, 2, 3 and 4 are situated (PID 027-219-205)	Village of Pemberton
6	Pemberton Meadows Field (leased from School District No. 48) – Pemberton Meadows Road, Electoral Area C	Village of Pemberton
7	Bookings of Signal Hill Field (leased from School District No. 48) – 1410 Pemberton Portage Road, Pemberton	Village of Pemberton
8	Soccer Fields at Den Duyf Park – Pemberton Farm Road East, Pemberton	Village of Pemberton
9	Bike Skills Park – Pemberton Farm Road, Pemberton	Village of Pemberton
10*	Basketball Court – Pemberton Portage Road (located on School District No. 48 land)	Village of Pemberton
11**	Gates Lake Community Park – 9184 Portage Road, Electoral Area C	SLRD

*Funded by the Service, not yet formally added to Recreation Service

**Will not be included in asset transfer to VOP (see note below under Next Steps)

Next Steps:

With SLRD Bylaw No. 1784, 2022 in place, the next steps are to develop a recreation facilities asset transfer agreement and a recreation service financial contribution agreement. A summary of the intent of these agreements is provided below:

Recreation Facilities Asset Transfer Agreement:

Once executed, the agreement will see the transfer of all existing SLRD-owned recreation assets (see Table 2) to the Village as per the terms and conditions of the asset transfer agreement except for Gates Lake Park as it will remain a recreation asset

of the SLRD. Until the transfer agreement has been executed and implemented, all recreation assets are owned by the SLRD and all decisions respecting the assets are made by the SLRD Board through recommendations from PVUS.

Recreation Service Financial Contribution Agreement:

This agreement will set out the terms and conditions related to how funds collected will be transferred, the budget process, as the SLRD budget process runs in advance of the Villages, establish the schedule for transferring collected funds for the Service, asset acquisition and disposition as well as administrative and decision-making processes. Once this agreement is in place, the SLRD will be providing a financial contribution to the Village for the Service.

Despite this anticipated change, requisition of Village and SLRD Area C property owners for both the Municipal Finance Authority (MFA) debt financing costs related to the construction of the Pemberton & District Community Centre (PDCC)³ and the Gates Lake Park operating costs will continue as per SLRD Bylaw 646, 1997. That said, it has been agreed that it does not necessarily make sense for the Village to oversee the operations of Gates Lake Park. As such, SLRD staff will be exploring options for the future management of the park. It is expected this will be brought forward to a SLRD Board meeting for discussion. In the meantime, the Village will continue to manage the park as set out in the service agreement noted above.

Initially the intent had been to have the agreements finalized and the transfer completed in time for the 2025 tax year; however, due to delays, Village and SLRD staff agreed at a meeting held February 5, 2024, that it would be prudent to extend the current agreements beyond October 1, 2024, to December 31, 2025. The changes will come into effect January 1, 2026.

While the delay is unfortunate, the benefit is that it will allow more time for the new agreements to be developed and time to work through any elements of concern. It will also give staff at both the SLRD and Village the time to make the appropriate adjustments in their collecting and reporting systems. Finally, it will enable the Village to start informing its taxpayers that in 2026 they will see an increase in the amount of municipal taxes collected (Village of Pemberton tax rates) and an approximately equal and offsetting decrease in SLRD taxes collected.

Property Tax Collection:

Chart 1 shows the breakdown of taxes collected by the Village for the Village and for other entities (SLRD and the Sea to Sky Regional Hospital District, SD48, Policing, MFA, BC Assessment), in 2023. This pie chart is updated each year and included in the property tax information flier sent out with the property tax notices in May.

In 2026, following the full transfer of the Service, the 2026 property tax collection pie chart will show the SLRD collection decrease and the Village collection increase to reflect the change in the requisition process. The increase to the Village collection will in concept completely offset the decrease in the SLRD collection.

³ The debt on the PDCC will be retired in 2032. Pursuant to MFA rules the debt may not be transferred to the Village but must stay with the SLRD.

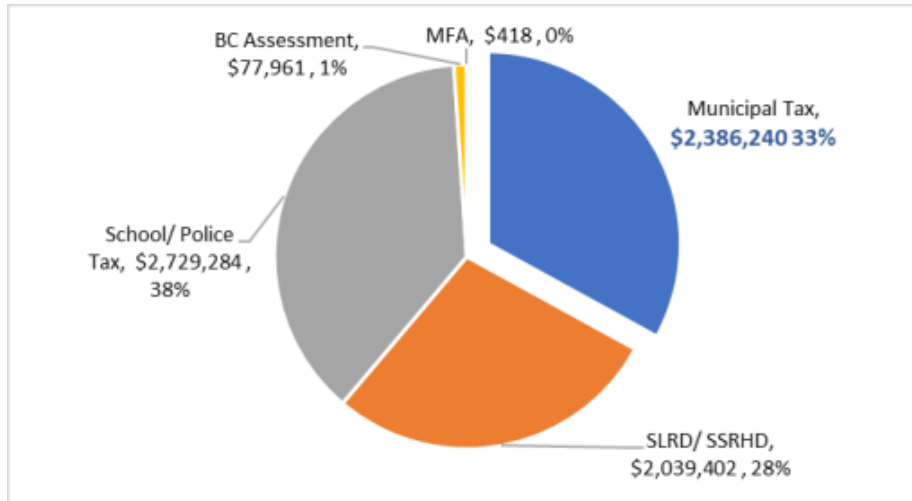


Chart 1. Breakdown of taxes collected by the Village for the Village and for other entities, 2023.

Bylaw Enforcement Agreement:

In 2022 the Village entered into a Bylaw Enforcement Agreement with the SLRD (**Appendix C**), to permit the Village to provide bylaw enforcement at Meadows Field on behalf of the SLRD. This agreement is in place until October 1, 2024, and aligns with the extension of the above recreation agreements. As a result, this agreement must be extended too as the asset is in the SLRD.

DISCUSSION & COMMENTS

Until the Recreation Asset Transfer Agreement and the Recreation Service Financial Contribution Agreement are in place, recreation is still administered under the existing financial contribution bylaws. This means for the years 2024 and 2025, decisions related to the Service will continue to be made by the SLRD Board and not the Village, the recreation budget will be approved by the SLRD Board on the recommendation of the Village and PVUS, and any changes to fees charged by the service will be made through amendments to the SLRD fees and charges bylaw. The budget and bylaws will continue to be presented to PVUS for consideration. If supported, PVUS will make recommendations to the SLRD Board for consideration.

The extension agreements are attached for Council’s consideration as **Appendices D, E & F**. The agreements were presented to the SLRD Board on February 28, 2024, and staff have confirmed that the SLRD Board has supported the extension.

Staff recommend that the extension agreements be executed by the mayor and chief administrative officer.

COMMUNICATIONS

The Village and SLRD will coordinate a joint media release respecting the extension of both agreements.

Village staff will prepare communications with respect to the change in the collection process that will result in the municipal portion of property taxes increasing to ensure Village taxpayers understand that while the municipal portion will increase the amount collected by the SLRD will decrease such that the amount collected overall will remain the same.

LEGAL CONSIDERATIONS

There are no legal, legislative, or regulatory considerations.

BUDGET & STAFFING

Staff time will be allocated to attending the joint meetings to discuss the development of the agreements. As well, there will be costs associated with legal support for the development of the Recreation Asset Transfer Agreement and the Recreation Service Financial Contribution Agreement. These costs will be allocated to the Recreation Service.

INTERDEPARTMENTAL IMPACT

There are no interdepartmental impacts.

COMMUNITY CLIMATE ACTION PLAN

There are no Community Climate Action Plan elements for consideration.

STRATEGIC PRIORITIES

This initiative aligns with the following [strategic priorities](#):

- Plan and manage growth; and
- Operate with excellence.

IMPACT ON THE REGION

The Village manages the recreation service on behalf of the residents and taxpayers of the Village and SLRD Electoral Area C. This service is overseen by the Pemberton Valley Utilities & Services Committee and is jointly supported by both communities and the transfer of the service will be beneficial to both jurisdictions.

ALTERNATIVE OPTIONS

There are no alternative options for consideration.

RECOMMENDATIONS

Extension of Recreation Service Delivery Service Agreement:

Recommendation One: THAT the Village enters into an agreement with the Squamish-Lillooet Regional District to extend the Recreation Service Delivery Agreement dated October 2, 2018, and extended in 2022 to October 1, 2024, for a further 15-month term until December 31, 2025;

AND THAT Council authorizes the mayor and chief administrative officer to execute the Extension of Service Agreement upon confirmation that the SLRD Board has approved the extension.

Extension of License of Use Agreement

Recommendation Two: THAT the Village enters into an agreement with the Squamish-Lillooet Regional District to extend the License of Use Agreement for Recreation and Community Use for a term of June 1, 2019, through May 31, 2024, and extended in 2022 until October 1, 2024, be extended for a further 15-month term until December 31, 2025;

AND THAT Council authorizes the mayor and chief administrative officer to execute the extension to the License of Use Agreement upon confirmation that the SLRD Board has also approved the extension.

Extension of the Bylaw Enforcement Agreement at Meadows Field

Recommendation Three: THAT the Village enters into an agreement with the Squamish-Lillooet Regional District to extend the Bylaw Enforcement Agreement for Meadows Field, dated July 25, 2022, be extended for a further 15-month term until December 31, 2025;

AND THAT Council authorizes the mayor and chief administrative officer execute the extension to the Bylaw Enforcement Agreement at Meadows Field Agreement upon confirmation that the SLRD Board has also approved the extension.

ATTACHMENTS:

Appendix A: Recreation Service Delivery Agreement (2018) and Extension Agreement (2022)

Appendix B: License of Use Agreement for Gates Lake Park & PDCC (2019) and Extension Agreement (2022)

Appendix C: Bylaw Enforcement Agreement for Meadows Field Extension Agreement (2022)

Appendix D: Recreation Service Delivery Extension Agreement (2024)

Appendix E: Licence of Use (Gates Lake Park & PDCC) Agreement Extension (2024)

Appendix F: Bylaw Enforcement Agreement Extension (2024)

Prepared & Submitted by:	Sheena Fraser, Corporate & Legislative Services Advisor
CAO approval:	Elizabeth Tracy, Chief Administrative Officer