

 Director	 CAO
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<i>COUNCIL AGENDA</i>	
Date: <u>July 11, 2022</u>	Item: <u>11.</u>



DISTRICT OF WEST VANCOUVER
750 17TH STREET, WEST VANCOUVER BC V7V 3T3

11.

COUNCIL REPORT

Date:	June 24, 2022
From:	Isabel Gordon, Director, Financial Services Heather Keith, Senior Manager, Climate Action & Environment
Subject:	Proposed Environmental Reserve Fund Bylaw No. 5188, 2022
File:	08.1610.20/5188.2022

RECOMMENDATION

THAT proposed “Environmental Reserve Fund Bylaw, No.5188, 2022” be read a first, second, and third time.

1.0 Purpose

The purpose of this report is to establish a statutory reserve fund for the District of West Vancouver’s (“District”) Environmental Levy to support climate action and environmental protection initiatives and provide greater transparency and accountability for these funds.

2.0 Legislation/Bylaw

The legislative authority pertaining to Reserve Funds is contained in Division 4 of the Community Charter. Notably, Council may establish a reserve fund for a specified purpose and direct that money be placed to the credit of the reserve fund. The money in the reserve fund, and interest earned on it, must be used only for the purpose for which the fund was established.

The District has many bylaws which contain provisions related to the preservation of the natural environment, including:

- “Creeks Bylaw No. 3013, 1982” to protect and preserve creeks
- “Tree Bylaw No. 4892, 2016” to regulate, prohibit, and impose requirements in relation to trees
- “Parks Regulation Bylaw No. 4867, 2015” to regulate the use of parks
- “Watercourse Protection Bylaw No. 4364, 2005” to protect all watercourses and watercourse systems

In addition, the District has completed several plans/strategies that include specific guidance on steps to be taken to promote and enhance creek habitat and corridors, promote tree and forest stewardship, protect and

enhance the foreshore, and reduce greenhouse gas (GHG) emissions, including:

- Climate Action Plan
- Corporate Energy and Emissions Plan
- Community Energy and Emissions Plan
- Coastal Marine Management Plan
- Community Wildfire Protection Plan
- Northshore Sea Level Rise Strategy
- Natural Assets Inventory
- Environmental Strategy

3.0 Council Strategic Objective(s)/Official Community Plan

The Official Community Plan (Bylaw No. 4985, 2018) recognizes the value of the natural environment and provides high-level policies regarding strengthening existing environmental regulations and facilitating the protection, restoration, and enhancement of the community's natural assets. There are several policies related to the protection of the natural environment and climate adaptation and mitigation within Sections 2.4, 2.5, 2.6, and 2.7.

In addition, Council's 2021-2022 Strategic Plan includes a goal to "Protect our natural environment, reduce our impact on it, and adapt to climate change" and includes various objectives to meet this goal.

4.0 Financial Implications

Financial implications are discussed throughout the report.

5.0 Background

5.1 Previous Decisions

Council, at its February 14, 2022 meeting, passed the following motion:

THAT a 2022 Environmental Levy increase of 1.5% be approved.

Following that decision, the 2022 budget included a 1.5% Environmental Levy that will result in approximately \$1.2 million to be allocated towards climate action and environmental protection projects, and associated policies and bylaws.

5.2 History

At its July 8, 2019 regular meeting, Council recognized that climate change constitutes an emergency for West Vancouver and directed staff to prepare a "comprehensive climate adaptation strategy". Over the

course of five subsequent Council meetings (2019-2020) an omnibus suite of bylaw and policy amendments were approved to address climate change mitigation (such as greenhouse gas reduction). Furthermore, between 2020 and 2022, the District completed work to adapt to climate change (e.g., Community Wildfire Protection Plan, natural hazard Development Permit Areas, and so on) and to gather information on the state and condition of the natural assets in the community.

Climate change impacts on natural assets and District infrastructure have been anticipated for some time but are now becoming urgent issues. Many of the systems and structures that served well in the past will no longer meet tomorrow's challenges. Taking this into account, a 1.5% Environmental Levy was approved in the 2022 budget that will be dedicated funds for climate change adaptation and mitigation and protecting the District's natural capital assets. These funds could be used for projects to lower the greenhouse gas emissions both from District operations and in the community, as well as climate change response projects such as tree canopy studies, stormwater and foreshore management projects, wildfire protection, coastal flood protection, and stream rehabilitation.

6.0 Analysis

6.1 Discussion

The Environmental Levy will be used together with the development of a robust environmental strategy led by the CAO's office and the Senior Manager, Climate Action & Environment. The funds from the Levy will allow the District to be proactive in providing new ways to protect and enhance the environment in the District and to respond to climate change.

To formalize the use of the Environmental Levy and provide transparency and accountability in the use of the Levy, a bylaw is proposed to place the funds into a reserve to be used as necessary. Staff are recommending a new Environmental Reserve Fund Bylaw to:

- a) Establish what funds will be put into the reserve.
- b) The proposed use of the funds for projects related to environmental protection, climate change response, sustainability or enhancement of natural capital assets, and reduction of greenhouse gas emissions.
- c) The process for approval of the use of the funds, through Council resolution.

Environmental Reserve Fund Bylaw No. 5188, 2022 (**Appendix A**) is the proposed new bylaw.

6.2 Sustainability

Sustainable funding for environmental protection project will support the maintenance, preservation, and enhancement of the District's natural

capital assets. In addition, an on-going funding source to allow the District to pro-actively mitigate and adapt to climate change will better prepare the community over time to respond to impacts.

6.3 Public Engagement and Outreach

Public engagement on the addition of an Environmental Levy in the 2022 District budget was completed during the 2022 Budget process engagement period in January 2022.

Public engagement could occur in future to gain a better understanding of the community's vision for the use of the Environmental Levy, as requested by Council.

6.4 Other Communication, Consultation, and Research

None at this time.

7.0 Options

7.1 Recommended Option

Council gives first, second, and third reading to the proposed Environmental Reserve Fund bylaw.

7.2 Considered Options

Request further information provide alternate direction (to be specified).

8.0 Conclusion

The establishment of an environmental reserve fund will provide direction, accountability, and greater transparency in the use of the District's Environmental Levy in supporting the District's climate action and environmental protection initiatives.



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District of West Vancouver

Environmental Reserve Fund Bylaw No. 5188, 2022

Effective Date:

District of West Vancouver

Environmental Reserve Fund Bylaw No. 5188, 2022

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District of West Vancouver

Environmental Reserve Fund Bylaw No. 5188, 2022

A bylaw to create an Environmental Reserve Fund.

WHEREAS the Council of the Corporation of the District of West Vancouver deems it expedient to establish a reserve fund under Section 188 (1) of the Community Charter, to be known as the Environmental Reserve Fund;

NOW THEREFORE, the Council of The Corporation of the District of West Vancouver enacts as follows:

Part 1 Citation

- 1.1 This bylaw may be cited as Environmental Reserve Fund Bylaw No. 5188, 2022.

Part 2 Severability

- 2.1 If a portion of this bylaw is held invalid by a Court of competent jurisdiction, then the invalid portion must be severed and the remainder of this bylaw is deemed to have been adopted without the severed section, subsection, paragraph, subparagraph, clause or phrase.

Part 3 Definitions

- 3.1 In this bylaw:

“Annual Financial Plan” means, in each calendar year, the Financial Plan as adopted by, or amended by, the Council of the District under the Community Charter;

“Director of Financial Services” means that member of District staff assigned the responsibility of financial administration under the Community Charter;

"District" means the District of West Vancouver;

“District Environmental Levy” means that portion of the annual property value tax designated by Council in the Annual Financial Plan as the Environmental Levy;

“Fund” means the Environmental Reserve Fund;

“Greenhouse Gas” means any gaseous compound that contributes to atmospheric warming by absorbing infrared radiation;

“Natural Capital Assets” means the forests, foreshore, waterways, and parks and green space that provide services to the community;

“Natural Environment” means all living and non-living things occurring naturally; and

“Prevailing Rate” means, in any given year, the average annual rate of interest earned by the funds invested by the Director of Financial Services on behalf of the District.

Part 4 Terms of the Environmental Reserve Fund

4.1 The Environmental Reserve Fund shall be made up of:

- a) The annual District Environmental Levy;
- b) Interest earned at the prevailing rate on the average annual balance in the Fund;
- c) Any grants or funding received by the District from an external source for the purposes as defined under Section 4.2 Use of the Fund; and
- d) Any other amounts designated by Council as contributions to the Fund.

4.2 Use of the Fund:

The Fund may be used for external and District resources for:

- a) Programs that support the protection of the natural environment;
- b) Climate change response, mitigation, and adaptation;
- c) Sustainability and protection of the District’s natural capital assets; and
- d) Reduction of Greenhouse Gas emissions both by corporate operations and the community.

4.3 Funding of Services:

- a) Annual expenditures projected to be financed from the Fund shall form part of the Annual Financial Plan of the District, and no expenditures shall be made from the Fund that have not previously been included in the Annual Financial Plan as approved or amended.
- b) Monies from the Fund shall be expended pursuant to Council resolution.

READ A FIRST TIME on [Date]

READ A SECOND TIME on [Date]

READ A THIRD TIME on [Date]

ADOPTED by the Council on [Date].

Mayor

Corporate Officer

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