

2013-1

December 6, 2012

To: Mayor and Council

From: Municipal Treasurer

Re: **2013 Provisional Budget**

Legal Framework

The *Community Charter* no longer requires that Council adopt a provisional budget to provide spending authority for the period between the start of the new year and the adoption of the final budget in May. The theory behind the legislation is that the function of the provisional budget is now served by the “second year” portion of the five year financial plan.

In practice, however, there are so many changes in the municipal budgeting environment from one year to the next that these “second year” figures in the financial plan give Council no real idea as to what it will face when it comes time to set the tax rates at Estimates Committee in the next spring. Our preference, therefore, has been to compile the various departmental preliminary budgets into what we still call a “provisional budget” for the municipality as a whole, and to adopt that document formally by way of an amendment to the five year financial plan bylaw. This exercise gives much more accurate information to Council with regard to the task that it will confront at Estimates Committee time, and it is also an important planning tool at the staff level.

A completely new five year plan will be adopted in May after the conclusion of the Estimates Committee review process.

Property Tax

The property tax levy is simply the number required to balance the total general municipal expenditure budget after all other sources of revenue have been taken into account.

In the General Fund (excluding Sewer and Water, which for the most part are not funded by property tax) total expenditures in 2013 are budgeted to increase by \$554,849, primarily due to the introduction of the new pavement management program and increases in labour costs; there are also changes in capital projects, transfers to reserves and insurance costs which are balanced by similar changes in the revenue from reserves and permits.

On the other side of the ledger, *non-tax* revenue is expected to decrease by a net \$468,741. This is made up of a number of items: the above mentioned changes in revenue from reserves and building permit revenue, and a small reduction in recreation revenue.

The net effect of a \$554,849 expenditure increase combined with a \$468,741 non-tax revenue decrease is a requirement for an additional \$1,023,590 in property tax revenue to balance the budget. On last year’s base of \$17,426,987, this difference corresponds to a percentage increase of 5.87% in the municipal property tax levy.

The relationship between the 5.87% increase in the property tax levy for the Municipality as a whole and the increase for an average individual property will depend on several factors. For example, to the extent that the 2013 assessment roll includes new construction added to the tax base in 2012, the typical increase for the individual property owner will be less than 5.87%.

The new assessment roll will be published at the end of December and a further analysis will be carried out once this has been received. There will be a larger than normal increase in new construction, due to the Oak Bay Beach Hotel, and the new taxes related to this will help to mitigate the effect of the increase on an average property.

Individual Components

The Police Agreement expires at the end of 2012 and the Fire Agreement expired on December 31, 2009. The fire and police labour costs for 2013, therefore, cannot be precisely forecast, but contingencies have been made. As is generally the case, labour increases are the most significant contributors to the provisional increase in the property tax levy. The others, in decreasing order of magnitude, are as follows:

- Capital projects funded by taxes
- Pavement management program
- Reserve for tax appeals
- Consulting
- Greater Victoria Public Library requisition

The tax levy does not reflect a possible increase in regular employee benefit costs, the necessity for which will be determined, prior to Estimates Committee, after the gap between actual 2012 benefit costs and the amount raised by the current "labour load" percentage charge is calculated. A similar process will also take place to determine whether or not the "equipment pool" charges have to be increased.

Solid Waste Charge

The solid waste charge is a flat fee per household that covers the cost of curbside garbage collection and disposal, the various drop-off depots at the Public Works Yard, the garden waste pickup week, and leaf pickup. It does not include curbside recycling, which is contracted out by the CRD.

The provisionally budgeted costs of the solid waste accounts are very similar to those of 2012, showing a combined increase of 0.3%, which translates to a solid waste charge increase of \$1 to \$210. For residents of the areas included in the kitchen organic waste pilot program the cost is slightly higher at \$212.50.

Water and Sewer Utilities

The proposed price increase in water supplied wholesale by the CRD is 2.69% (2011 - 1.96%; 2010 – 21.96%; 2009 – 23.8%). The new rate has not yet been approved by the CRD Board, which will be considering it at its meeting on December 14. In order to cover this and other increases in the operating and capital budgets, Oak Bay's retail water rates are required to increase in order to balance the budget. The water rate bylaw setting the 2013 rates has received its first three readings and will be considered for final adoption on December 10.

Sewer Utility

Sewer utility costs are funded 70% from a water consumption-based user charge, and 30% from property taxes. Due to the decreasing average amount of water being used each year, a significant increase in the sewer user rate will be required. In addition to the reduction of water, there are increased consulting costs regarding the Uplands twinned sewer.

The sewer rate bylaw received its first three readings at the November 26 Council meeting, and will be considered for final adoption on December 10. This Bylaw also sets the rate for the portion of the CRD sewer debt requisition that Council has determined should be raised through a water-consumption-based charge.

Adoption Procedure

Until the review process has been completed at the Estimates Committee level, the various municipal departments will not proceed with any new 2013 capital expenditures without express Council approval. As in the past, some early approvals will be sought to avoid overloading the maintenance accounts, and to spread the capital works program more evenly throughout the year.

Bylaw No. 4581, *Financial Plan Bylaw, 2012, Amendment Bylaw No. 4, 2012*, which incorporates the 2013 provisional budget, has been scheduled for introduction and first three readings further in this agenda.



Patricia Walker
Municipal Treasurer

2013- 4

Memorandum

TO:	Council	DATE:	December 4, 2012
FROM:	Director of Building and Planning		
SUBJECT:	<u>Uplands Building Permit Application</u> 3040 Devon Road Lot 3, Block 45, Section 31, Victoria Plan 8777		

Background

An application has been submitted to the Advisory Design Panel for the construction of a 900 square foot addition that will accommodate a master bedroom, an ensuite and a family room off the kitchen.

Discussion

Attached for your information are:

- (a) The report of the Advisory Design Panel meeting of December 4, 2012 regarding the proposed work.
- (b) Reduced copies of the plans of the proposed work.
- (c) Memo dated November 28, 2012 from the Municipal Arborist regarding the trees on the subject property.

Recommendation

THAT the proposed plans for the construction of an addition to the house located at 3040 Devon Road be approved as to siting and architectural design.



Roy Thomassen, Director of
Building & Planning

2013- 5

Memorandum

TO:	Council	DATE:	December 5, 2012
FROM:	Director of Building and Planning		
SUBJECT:	<u>Uplands Building Permit /Development Variance Application</u> 3245 Norfolk Road Lot 9, Block B, Section 31, Victoria District, Plan 3599		

Background

An Uplands building permit application has been made for a rear addition, which involves the master bedroom expansion and basement. As the current siting of the dwelling is non-conforming the addition would not meet the minimum setback requirements, consequently variances are required from the zoning bylaw.

Attached for your information are:

- (a) The report of the Advisory Design Panel meeting of December 4, 2012 relating to the proposed addition at 3245 Norfolk Road.
- (b) Reduced copies of the plans of the proposed work.
- (c) Memo from Municipal Arborist dated November 28, 2012 regarding trees on the subject property.

Discussion

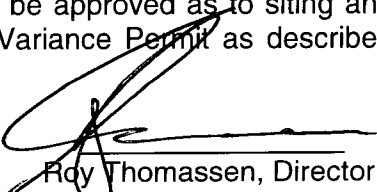
The applicant is requesting a Development Variance Permit granting relief from the following section(s) of the Zoning Bylaw No 3531:

<u>Zoning Bylaw Section</u>	<u>Required</u>	<u>Requested</u>	<u>Variance</u>
6.2.4.(2)(c) +Schedule 'C' Minimum Interior Side Lot Line Setbacks	4.27 m (14 ft)	3.35m (11 ft)	0.92 m (3 ft)
6.2.4.(2)(e) +Schedule 'C' Minimum Total of Side Lot Line Setbacks	10.97 m (36 ft)	6.6m (21.6 ft)	4.37 m (14.3 ft)

- Imperial measurements are approximate and for convenience only.

Recommendation

THAT the proposed plans for the addition at 3245 Norfolk Road be approved as to siting and architectural design subject to the issuance of a Development Variance Permit as described herein.


Roy Thomassen, Director
Building & Planning

*See note from Municipal Clerk on reverse

2013-6

Memorandum

TO:	Mayor and Council	DATE:	December 4, 2012
FROM:	Roy Thomassen Director of Building and Planning		
SUBJECT:	Rezoning and Development Permit Application for 1510 Clive/2280 Oak Bay Avenue Lot 10 & 11, Section 69, Victoria District, Plan 1156 Current Zoning RM-3, Multiple Dwelling Use—3 Storey		

Background

The owner would like to redevelop the above property with a new building substantially larger than the existing apartment. In order to accommodate the intensive development proposed a rezoning of the property would be required, and a development permit for form and character of the residential development.

The existing site is comprised of two small lots each approximately 558 m² in size for a total lot size of 1116 m²(12,000ft²). Any development for the property will involve lot consolidation of the two parcels. The current zoning for the property is RM-3, multiple dwelling use—3 storey. The existing building (Clive Apartments) contains 8 dwelling units and is two stories.

Discussion

Review of the existing apartment building in terms of the current RM-3 zoning shows that further development to the site would be permitted. The existing apartment lot coverage could be increased by approximately 11 % from the current 24% or approximately 125m² (1350 ft²). The RM-3 zone also permits 3 storey buildings so potentially a top floor could be added along with a three storey addition for a total additional development of 585m² or 6300ft². This further development could accommodate 8 or 9 additional suites to the apartment, based on the size of units in the new building proposed. It is likely that variances to height and setbacks would be required to facilitate further development to the existing building.

The other multi-family zone contained in the Zoning Bylaw is RM1-HD (Multiple Dwelling Use – High Density). This zoning was introduced in 2004 for a 4 unit development at 2359 Beach Drive on a relatively small residential lot. The size of the two lots in the application is similar in size to our RS-4 single family dwelling zone. The development that would be permitted under this zone would be significantly less than the intensive development that is proposed in the application.

The proposal submitted has not been designed to either of the established multiple residential zones, as suggested to the architect. Considering the intensive development proposed, one will conclude that it is not in compliance with the objectives of development permit areas for multi-residential development contained in the Official Community Plan.

The parking proposed is 13 stalls for the 23 dwelling unit building. The Parking Facilities Bylaw would require 52 stalls, therefore a variance of 39 stalls would be required for parking.

OCP excerpt:

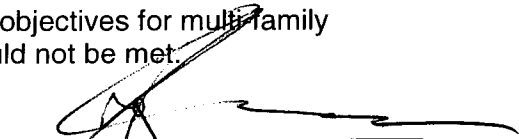
“The objectives of the designation include ensuring that multi-family development compliments and enhances the architectural and natural landscape features of the municipality; that it minimizes externalities for adjacent lower density properties; that it provides for containment of all associated parking on-site; that it preserves view corridors; that where applicable, it respects the natural landscape including mature trees; that it maintains the sense of openness which has been characteristic of residential development in the municipality; and that it provides a quality of living environment.”

- Complementing and enhancing the architectural and natural landscape is a subjective matter that needs careful consideration; however, with the minimal front setback proposed the existing natural landscape would not be retained.
- Minimizing externalities for adjacent lower density properties has not been achieved with the rear setback proposed at 1.57 meters (5 feet) and three storey height proposed.
- Providing for the containment of all associated parking on-site has not been accommodated. For a 23 unit apartment building the parking facilities bylaw would require 52 parking stalls; the proposal is for 13 parking stalls with some bike storage.
- In terms of respecting the natural landscape, including mature trees, there is a large protected tree at the north west corner of the property which would likely not survive construction of the new building with foundations within the critical root zones. (see municipal arborist memo attached).
- Maintaining the sense of openness which has been characteristic of residential development in Oak Bay would not be achieved with the proposed three storey building with minimal setbacks.

With the proposed intensive development not meeting the objectives of the Official Community Plan an amendment to the OCP would be required if there is a desire to move this proposal forward.

Recommendation

That at this time Council decline the proposal as the principal objectives for multi-family development permit areas of the Official Community Plan would not be met.



Roy Thomassen, Director
Building and Planning

MEMORANDUM

2013- 8

To: Mayor and Council
From: Fernando Pimentel
Deputy Treasurer
Date: December 4, 2012
Re: 2013 Tender Award Recommendations

Recently we received the annual tender proposals on a number of products and services. The following shows the responses and our recommendations. The prices shown are final and include all applicable taxes unless otherwise stated.

BACKHOE RENTAL; PW01-2013

Contractor	Hourly Rate
Jaymar Contracting	\$66.08
W.A. Jones & Sons	\$67.20

Hourly Rate 2012: \$69.44

It is recommended that Jaymar Contracting be awarded the Backhoe Rental tender based on low bid.

GRAVEL SUPPLY TENDER; PW02-2013

Contractor	Cost Components	Projected Annual Cost - 2013 *
Lehigh Northwest Materials	Material (tender)	\$100,080
	Trucking	31,982
	Total Costs	\$132,062
All Fun Aggregate	Material (tender)	\$87,617
	Trucking	63,964
	Total Costs	\$151,580

**Based on typical volume and mix of materials. Does not include applicable tax.*

Projected Material Annual Cost 2012: \$133,000

The trucking costs are double for All Fun Aggregates as they are located on Millstream Road in Langford and Lehigh Materials is located on Bay Street in Victoria. It is recommended that Lehigh Northwest Materials be awarded the gravel supply contract based on lower total costs.

READY MIX CONCRETE; PW03-2013

Contractor	Rate / M³	Delivery / load
Butler Brothers Supplies	\$188.16	\$48.16

M³ Rate 2012: \$183.68
Delivery / load 2012: \$48.16

It is recommended that Butler Brothers Supplies be awarded the Ready Mix Concrete tender.

TANDEM TRUCK RENTAL TENDER; PW04-2013

Contractor	Hourly Rate
W.A. Jones & Sons	\$56.00
Lopeter Trucking Ltd.	\$62.14

Hourly Rate 2012: \$61.58

It is recommended that W.A. Jones & Sons be awarded the Tandem Truck Rental tender based on low bid.

SCRAP METAL ROLL-OFF TENDER; PW05-2013

Contractor	Rate
Steel Pacific Recycling:	
Monthly Rental	\$0.00
Delivery / Pickup	\$0.00
Price per tonne for Materials*	\$120.00

**This is the price the supplier pays the District.*

Monthly Rental / Delivery Rate 2012: \$0.00
Price per tonne for Materials 2012: \$110.00

It is recommended that Steel Pacific Recycling be awarded the Scrap Metal Roll-Off tender.



Fernando Pimentel
Deputy Treasurer

2013- 10

Memorandum

TO: Mayor and Council **DATE:** December 6, 2012

FROM: Roy Thomassen
Director of Building and Planning

SUBJECT: Building Permit Referral, Property listed on Oak Bay Community Heritage Register
2028 Runnymede Ave.
Lot B , Section 47, Victoria District, Plan 20683

Background

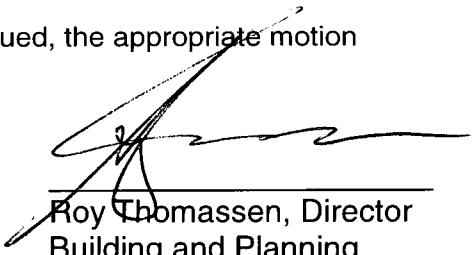
This property was brought forward to Council as the owners were making modifications to the exterior and the property is listed on the heritage register. At the time Council placed a temporary protection order and referred the proposal to the Heritage Commission. The Heritage Commission after reviewing the proposed changes to the building recommended to Council approval of the exterior changes, and Council lifted the temporary protection order, which gave staff the authority to issue the building permit.

Discussion

During construction the attached garage was found to be in extreme disrepair. The contractor provided amendments proposed for the garage reconstruction which the Director of Planning and Building brought directly to the Heritage Commission for review and comment. (see attached plans) The minutes of the Heritage Commission are part of today's agenda which include the review of the garage reconstruction. The motion from the commission is to approve the alterations as shown on the attached drawings.

Recommendation

If council wishes to allow the revised building permit to be issued, the appropriate motion would be to receive this report for information.



Roy Thomassen, Director
Building and Planning